




3 1761 11766119 9



Digitized by the Internet Archive
in 2022 with funding from
University of Toronto

<https://archive.org/details/31761117661199>

NEWS

THE WEEKLY
10 A.M. - 12 P.M.
JULY 10, 1965

Lacking several issues

CAIR-5/11

NEWS

120
Canada
Department
of Labour
Information
Services
Tel. 992-9469
992-6637
Area code 613

FOR RELEASE
10 A.M., LOCAL BANFF TIME
JULY 10, 1969

NOTES FOR AN ADDRESS BY
HONOURABLE BRYCE MACKASEY, P.C., M.P.,
MINISTER OF LABOUR
TO A JOINT SESSION OF THE
INTERNATIONAL ASSOCIATION OF GOVERNMENTAL LABOUR
OFFICIALS AND THE ASSOCIATION OF LABOUR
MEDIATION AGENCIES

9:00 A.M., -- JULY 10, 1969

AT THE
BANFF SPRINGS HOTEL

BANFF, ALBERTA

Mr. Chairman, Ladies and Gentlemen:

I am delighted to have been asked to participate in the consideration of your theme "The Changing Roles of Labour Departments".

Certainly I can't think of a more significant theme at this moment in time; nor can I think of a theme presenting a more profound challenge to all of us directly concerned with labour legislation and the implementation of that legislation.

I am sure everyone here agrees that Labour Departments must change because the problems we face are ever-changing, and the solutions or legislation that have stood us in good stead for so long, are no longer adequate to cope with the new problems that arise from the never-ending spread of industrialization.

Change is evident all around us and the relatively straight-forward factors we were set up originally to deal with, are becoming more and more interwoven with complexities unimaginable 20 years ago when much of our significant legislation was last revised.

None of this detracts of course in any way from the quality of the job that government labour agencies in general have been doing during these last two decades of monumental change and upheaval. Our records in conciliation, in mediation, in the development of working standards, in the protection of minority groups and in the fight against discriminatory practices, have been remarkable and a credit to those thousands of public servants who have been so dedicated to their role as administrators of labour legislation.

Nonetheless we must see it today as it is. In Canada the forces demanding change are particularly intense for a number of reasons perhaps unique to this nation.

Canada has always accepted the fact that she must export -- and export successfully on a massive scale -- if she is to survive.

Up until twenty years ago, we enjoyed what the economists might refer to as a natural advantage. We were able to sustain a high standard of living by reason of this fact as we exported our natural resources of forests, grain, fish, minerals, etc. But it has become more and more evident that this natural advantage, the advantage of being blessed with almost unlimited natural resources, was not enough and is not enough to sustain the economic growth of this nation.

And so at an ever-accelerated rate, the whole economic pattern of the country has

evolved over the last two decades from an economy that might be defined as a raw resource economy to a highly industrialized economy, one with all the problems entailed in the demand for new and complex skills, labour mobility, rising individual human aspirations and the tensions of urban concentration.

Today we demand from our economy the second highest standard of living in the world and to maintain that standard we must continue to maintain our place in the world as one of the great export nations by reason of our ability to compete successfully in the export of finished manufactured goods.

We must compete not only on the quality of our goods and the excellence of design, but also on our ability to lay our goods down in the markets of the world at competitive prices -- competitive prices that must cover the cost of materials, cost of transportation, cost of labour.

Unlike our good friends from the United States of America, we do not have the domestic market that sometimes spells the difference in cost as the result of increased productivity resulting from longer runs.

Add to this the fact that we must compete with countries such as Germany, Japan, Sweden and others where continuous improvement of methods for increased productivity and efficiency -- through technological innovation, automation and so forth -- is pursued with almost religious fervour.

It goes without saying gentlemen, that to survive in this very competitive world, Canadian manufacturers must continue to increase efficiency, productivity and quality. To reach these objectives we must seek out and adopt the latest techniques, the most advanced ideas and accept readily the effects of technological change.

Canadian industry cannot afford the luxury of resisting technological change if it intends to survive let alone compete for world markets.

And so we are confronted with the problem of seeking out and introducing needed technological change on one hand, whilst trying on the other, to cope with the inevitable problems of labour unrest that these very changes create.

Make no mistake, there is a growing sense of insecurity on the part of the industrial worker in the face of the rapid advances of technological change and automation which he sees closing in all around him. He sees that his hopes for secure employment in the immediate future will require him to master many skills in his lifetime, require him to be mobile, to move from job to job and his reaction predictably is one of fear and resentment.

And so he resists -- and naturally so. Particularly since he can never be sure what the effects of change mean to him. He is continuously threatened by the unknown.

But technological change is not new. It's been with us for a long time. Let me read this letter.

"The canal system in this country is being threatened by the spread of a new form of transportation known as "railroads." The federal government must preserve the canals for the following reasons:

ONE -- If canal boats are supplanted by "railroads" serious unemployment will result. Captains, cooks, drivers, hostlers, repairmen and lock tenders will be left without means of livelihood, not to mention the numerous farmers now employed in growing hay for horses.

TWO -- Boat builders would suffer and towline, whip and harness makers would be left destitute.

THREE -- Canal boats are absolutely essential to the defense of the United States. In event of the expected trouble with England the Erie Canal would be the only means by which we could ever move the supplies so vital to waging modern war.

For the above mentioned reasons the government should create an Interstate Commerce Commission to protect the American people from the evils of "railroads" and to preserve the canals for prosperity.

As you may well know, "railroad" carriages are pulled at the enormous speed of 15 miles per hour by "engines", which in addition to endangering life and limb of passengers, roar and snort their way through the countryside, setting fire to the crops, scaring the livestock and frightening women and children. The Almighty certainly never intended that people should travel at such breakneck speed."

The author? -- The Governor of New York. The addressee? -- President Andrew Jackson. The date -- January 1, 1829 -- 140 years ago.

Fortunately, more and more companies today understand and appreciate the concern and frustrations of their employees. More and more companies are reflecting their concern and appreciation of the problems created by technological change, and have taken appropriate steps in their collective agreements to remove much of the sting and insecurity caused when change is introduced.

But as long as some firms continue to resist their obligations to their employees, obligations for instance to negotiate these effects of change, obligations to consult and advise when lay-offs are inevitable, then it will be necessary for the legislation of the future to protect the workers.

But labour itself must do some soul-searching. Unions today must face up to the fact, and unfortunately, not all unions do, that they exist to serve and to act in the best interest of their members. If we expect and indeed compel management to negotiate change, then unions must be prepared to make the necessary adjustments that will be needed more and more as automation and technological change convert our workers from one classification to another.

In short, the unions must co-operate to an extent unknown before; they must merge, they must be prepared to take the necessary steps to provide the maximum amount of good to the greatest number of workers.

In summary, I cannot suggest too strongly that technological change and adjustment of employees to it, will, in the future, I am convinced, be our compelling field of interest.

Co-operation is a two-way street and our unions must, as the more enlightened unions already do, accept the fact.

Legislation can set up machinery that provides a more realistic and effective procedure for collective bargaining if it can be so designed as to be less predictable than has been the case in the past.

Legislation can go far in the realms of guarantees -- guarantees of standards of employment -- basic wages, hours of work, safety and so forth.

Legislation can achieve these and other worthwhile goals so long as it is not allowed to become rigid and predictable; so long as the playing out of the role, that is completing all the steps of the procedures and meeting all the requirements of the statutes does not in fact become the essential purpose of the exercise as a goal in itself.

But you cannot legislate intelligence; you cannot legislate good will; you cannot legislate reason, nor effective communication. In fact, you cannot legislate all those human factors that are crucial to the effective operation of legislative policy or programs. Only people can solve problems.

And here perhaps lies the greatest area for change in the progressive Department of Labour. Simply because we cannot legislate co-operation, simply because we cannot legislate good-will, simply because we cannot legislate communication, is no reason why we cannot use persuasion and the human element to improve relationships in these vital areas between management, labour and government. These non-legislative elements are completely crucial to any hope for improvement in our industrial relations environment and we can no longer adopt the attitude that the department of labour is helpless in these sensitive areas.

Our job, above all others, is to take initiatives designed to bring the parties together -- to create an effective communication bridge between government, employers and unions -- so as to engender a new environment -- a new standard by which the success or failure of labour-management negotiations will be judged.

Therefore, I believe we, in Canada, must use our special positions and powers of suasion to throw out the concept that bargaining breakdown and work stoppages are more-or-less inevitable and somehow acceptable. They are not acceptable and they are needless amongst intelligent men.

We must adopt a positive active program towards early involvement in bargaining with the declared role of preventing breakdowns before they happen. We must become thoroughly identified as prevention agencies rather than firefighters.

We must so structure the new environment of collective bargaining that there are real and effective pressures on the negotiators to settle right from the start of the open periods in the contract.

We must become involved actively and thoroughly as a catalyst to get negotiations underway early and I believe the new complexities of the issues make this type of initiative mandatory. These new aspects of fundamental issues are in effect divisive more divisive indeed than the simpler pure money issues. The need for a force to hold them together in useful negotiation right from the start is fundamental to success.

Such early and direct involvement in negotiations will bring government labour officials face to face with a whole new range of problems. Thus, to be really useful, departments must have within their ranks the

kind of expertise that will be fully appreciative of the special and powerful forces faced by management and labour in drawing up their respective positions demands and objectives. We must see to it that this expertise, backed by the most sophisticated research teams, is made available to both sides at the earliest possible stage.

To establish early settlement of disputes as a desirable objective in industrial relations will require a new thinking on the part of management and labour and particularly the eradication of the laissez-faire attitudes built up over so many years. Co-operation and understanding will have to come from many sources.

The Press, for example, could make a major contribution to the acceptance of the new environment by giving the same prominence to early settlements as they historically give to the breakdowns and violence. This will require

new thinking on their part as to what is "news" in the industrial relations area -- but in my opinion they have an obligation to do just that.

In summary, then, our goal must be to make it abundantly clear that early settlement is an acceptable standard by which the success of labour-management negotiations can be judged. To accomplish this end, we must put together a system of procedures that will make it undesirable for anyone -- unions or management -- to delay settlement until the last possible moment. In short, we must build up a non-legislative plan of involvements by Labour Departments that entrenches the standards of early settlement -- a system so strong that any company or organization that deviates from it will unmistakably show itself as one which is no longer in tune with the modern concepts of industrial relations.

What I am really trying to say is no more than this --

The really essential new role for departments of Labour is to take non-legislative initiatives directly towards the prevention of breakdowns.

The critical point to this is the early involvement of the Department of Labour in the negotiating process backed up by the fullest of technical and research resources.

To make this acceptable, departments must take the initiative in creating a new environment in the whole industrial relations world that will accept and welcome this new initiative of early involvement.

To make this possible the aged concept that breakdowns are inevitable must be destroyed and this can only be done with the fullest co-operation of union and industrial leaders and the daily press.

We have to take this initiative to become involved.

We have to create this environment.

We are the only appropriate agency to do so--and society expects and will thank us for doing so.

Thank you.

NEWS

Canada
Department
of Labour
Information
Services
Tel. 992-9463
992-6633
Area code 613

FOR RELEASE
7 P.M. EDT
SEPTEMBER 18, 1969

NOTES FOR AN ADDRESS BY
HONOURABLE BRYCE MACKASEY, P.C., M.P.,
MINISTER OF LABOUR

TO

ANNUAL CONFERENCE
OF CANADIAN ADMINISTRATORS
OF HUMAN RIGHTS LEGISLATION
EL MIRADOR HOTEL
OTTAWA, ONTARIO
SEPTEMBER 18, 1969 - 7 P.M.

When I was invited to address this conference, I wondered what I could possibly say to a group of experienced and dedicated provincial and federal administrators of human rights legislation that they had not heard many times before and that they themselves had not said publicly on many occasions.

I wondered out loud in the presence of your conference chairman -- my Director of Fair Employment Practices -- who was extending your invitation to me.

His reply was I think significant.

While admitting that probably there wasn't too much that I could say that would be new or entirely original, he hastened to assure me that even old arguments might be given new meaning by virtue of my eloquence. Having used this technique too often myself, I refused to be impressed!

Sensing this he pursued a different tack, pointing out that although the things I might say had been said before by minority group leaders and human rights administrators at many meetings in all parts of Canada, they had yet to be said by a Minister of the Crown at the national level of government and that the time had come when they should be.

The argument, I finally concluded, was irrefutable.

And the more I thought about it, the more it became obvious that here was an idea which, if extended to leaders from all levels of society, could be of the greatest significance to the future development of equal opportunity and sound human relations in Canada.

If leaders, at the federal level, the provincial level, the municipal level -- leaders of management organizations and unions, both national and local -- leaders of community

organizations, of all kinds, from presidents of service clubs to chairmen of school boards -- if all leadership people in Canada were to start speaking out, saying what needs to be said, instead of leaving it all to the minority groups and a few dedicated human rights administrators, the result could mean a tremendous new surge of positive action.

This then is my appeal tonight --

If we really believe in equal opportunity in employment for all Canadians regardless of race, colour, religion or national origin, then let us say so in terms which have practical and realistic application -- following the reasoning of those who are actively confronting the problem daily and obviously know what they are talking about.

Now what have they been saying?

It is clear that their major concern is with the promotion of affirmative action by all in a position to open up the employment horizon for minorities seriously-disadvantaged by social attitude based, now or in the past, on colour and race.

They recognize that living for generations with rejection -- living at the subsistence level in conditions of permanent poverty or out of sight on reservations -- has such a crushing effect that only the exceptional few have the natural courage and determination to seek out and compete for training and employment opportunities without special encouragement and assistance.

If anyone still believes that patterns of rejection do not exist in Canada -- and incredibly there are many people seemingly unaware of the fact -- a few statistics should dispel any doubts.

According to the Hawthorne Commission report, the average yearly earnings per Indian worker is less than \$1,400, as compared to a \$4,000 average for Canadian workers in general. A Halifax study published in 1962 revealed a mean annual income for Negroes of about \$2,000, and there are black people in other communities in Nova Scotia worse off than those in Halifax.

Every province and the Federal Government have laws prohibiting discrimination. These laws have served a vital function and it is extremely important that they be enforced with both vigour and wisdom. But anti-discrimination laws are not enough, if only because members of seriously disadvantaged groups may be unwilling or spiritually unable to invoke them. I seriously believe that some people have been the victims of discrimination for so long that they have become used to injustice, perhaps even comfortable with it.

Vigorous enforcement of the law can have a very beneficial effect, far beyond helping individual complainants. Investigations oblige employers, supervisors and personnel people to make an effort to clean out dark corners of prejudice and discriminatory practice.

However, case investigation work alone will not solve the problems of those people who for generations have been seriously-disadvantaged.

They'll never know full equality of opportunity without special affirmative action by employers, unions, governments at all levels, and every Canadian with an ounce of generosity in him who wants to do something.

And what do human rights officers mean by affirmative action?

They mean any action aimed at breaking historic patterns of rejection in employment, training and career development, based on race, colour, religion or national origin, whether or not these patterns result from cold-blooded, calculated policy or merely from thoughtlessness and apathy.

They have found that employers can be blissfully unaware of the existence of discrimination in their organizations. With all the goodwill in the world, they can be oblivious to the sensitivities and the human needs of members of the historically-disadvantaged minorities. Very few have any clear-

cut policy to counter discriminatory attitudes, practices and fewer still have one that is fully understood by their supervisors and employees.

Promotion of affirmative action makes a lot of sense. Most people can honestly maintain they don't discriminate, simply because most people don't get the opportunity to discriminate. However, in the case of affirmative action no one can hide. This is particularly true of employers, employment supervisors, trade union executive officers and service club executives and a great variety of decision-making people. To them, human rights agencies are suggesting that it is not enough to prevent or avoid obvious overt acts of discrimination.

The best way to eliminate the possibility of hiring supervisors exercising personal prejudice is to introduce a positive policy -- a policy designed to ensure that members of disadvantaged minorities are aware of employment opportunities

other than those associated with traditionally-accepted occupations, to ensure that they are aware of these opportunities and encouraged to make use of them.

Employers and unions must convince them that the jobs are there for them, that they can get the training they need and, most important, that once at work they will not suffer harrassment or discrimination, and that they will have the same opportunities for advancement as other workers.

This is only simple justice. If it has been achieved only rarely in Canada up to now, it must be because few of us have realized that what we have done to our minorities over generations cannot be undone without special understanding and special effort.

Do we understand the social and psychological gap that faces an Indian youth moving from an isolated area to a complex and sophisticated

urban centre? Do we understand that it can frighten young people away from training and jobs?

And the business that operates in an area where there are many Indians or Negroes, without a single Indian or Negro on its payroll. Or the trade union that has taken no special steps to bring members of disadvantaged minorities into membership. Can these organizations any longer get away with the contention that they are meeting their social responsibilities.

What have they ever done to make it clear to the minority community that they want them to apply? Have they ever spoken to the minority organizations? Have they ever co-operated with the schools their children attend, to encourage them to finish their schooling in the knowledge that training and jobs and places in the union movement will reward their efforts.

Discernible patterns of discrimination on racial grounds exist in only a few Canadian

communities. Where it exists, discrimination in Canada is generally subtle, generally practised with more politeness than in most other parts of the world. For the most part, it appears to result more from public apathy and unawareness of the problems of minority groups than from rigid racism or bigotry.

These features of our situation do not remove the problem, however. They do not mean that rejection and exclusion have been any less damaging, or are any less irritating and frustrating, to minority groups. In fact their rising protests and their growing militancy spring more from rage at the apathy and indifference of society in general than from any single condition of studied discrimination.

Minority-group leaders and human rights administrators tell us we must understand the growing impatience of those disadvantaged by race and colour. The rising expectations of socially-

disadvantaged people on this continent and abroad have had, are having and will continue to have a profound effect on the attitudes of our own disadvantaged people -- not only those who have been here for generations, but those who have recently arrived, and those who will be coming here in the next few years.

"Uncle Tomism", a term imported from the States, is now in daily use by younger Canadian Negroes, and young Canadian Indians have adapted this term to "Uncle Tomahawkism". We must try to understand the serious implications of the application of these terms by minority groups to their own members when they suspect they are still accommodating white supremacy thinking. We must understand the problems of those who lead the minority groups.

Canadian leaders and decision-makers must realize that, if they don't listen to the moderate but militant leaders of today and start

doing something meaningful to support their credibility, they'll be faced by radicals who'll have no hesitation going to the streets, using imported technique and rhetoric.

We have been warned by priests, ministers, university professors and others who live close to the minorities that we haven't much time, and that if we fail, minority groups are going to import perspectives and solutions from outside the country.

I associate myself with the moderate but militant minority group leadership in appealing for positive and immediate action by employers, unions, and governments at all levels to open doors which have been too long shut against people on the basis of race and colour.

I associate myself with the impatient youth who say, "we're not going to be put off with promises as our fathers were -- we want jobs and training now."

I have requested a complete review of our legislation, and recommendations are now being prepared for its overhaul. I want to make it as effective and broad as necessary to firmly underpin our program of human rights in employment.

In closing I want to congratulate you for your initiative in getting together and exchanging experiences from your various jurisdictions. It is obvious that no jurisdiction can work alone in the field of human rights in Canada. What is needed is a coordinated drive, kept flexible enough to accommodate the priorities and needs of different jurisdictions, but strong and pointed enough in terms of basic purpose to confront complacency, inertia and prejudice at any level of Canadian society. I am pleased that our Fair Employment Practices Branch is in close contact with provincial agencies and co-operating in many community-oriented developments.

I understand that inter-agency co-operation is the topic for discussion tomorrow. I hope your meeting will be very productive and that the seeds of a coordinated plan will be sown. I am satisfied that, in this, and in your day-to-day work, you have the support of the great majority of the Canadian people. I am satisfied that, in 1969, there is a national consensus that discrimination based on race, colour, religion or national origin is simply unacceptable.

O.T.-7/69
September 18, 1969

NEWS

Canada
Department
of Labour
Information
Services
Tel. 992-946
992-663
Area code 61

FOR RELEASE AFTER
8:00 P.M., E.D.T.,
MONDAY, SEPTEMBER
22, 1969.

NOTES FOR AN ADDRESS

BY THE

HONOURABLE BRYCE MACKASEY, P.C., M.P.

MINISTER OF LABOUR

TO THE

ANNUAL CONVENTION OF THE CANADIAN
AIR LINE EMPLOYEES' ASSOCIATION

8:00 P.M., -- SEPTEMBER 22, 1969

AT THE

INN ON THE PARK,

TORONTO, ONTARIO

As Minister of Labour, I receive many invitations to speak across this great country of ours. Unfortunately, time does not permit me to accept more than a fraction of them, for obvious reasons.

I made sure, however, my schedule was arranged so that I could accept your invitation. I felt that I had many friends amongst your membership and therefore the urge was strong to take advantage of this opportunity to meet these friends once again and, at the same time, speak to a union that represents so many functions within the one company: A union that therefore characterizes the unions of the future.

Finally, I am glad to be here because it affords me the opportunity of returning something left in my office some time ago. It was left there by what must surely be the prettiest pickets to be found anywhere on the Canadian scene today. I am of course referring to their signs which they left in my office on a cold, wintry day. last November.

When I sat down on the week-end to determine the subject-matter of my speech, I realized that it is more than a year since I became Minister of Labour. It will soon be a year since I became involved, for the first time, in a labour dispute. The occasion was the grainhandlers strike at the Lakehead.

By accident or design, I have been involved in many similar disputes since then. I am sure that you are aware that I have been criticized on a number of occasions for this personal attention and for my determination to see things as they really are.

It is not my intention tonight to defend myself against these charges because they do not upset me, nor do I feel that there is any great need to do so. I am satisfied my own membership -- the citizens of Canada -- are happy with the way their federal minister of Labour has been operating, even if they may feel it rather undignified for him to be photographed in his underwear.

My personal association with various disputes over this last year, has provided me with a wonderful opportunity to see the collective bargaining process at work. Usually, I may add, in the middle of the night.

What have I learned during this full and stressful year that is of use to me as a Minister? For one thing, contrary to anything you may read, I was usually the least emotional person at the bargaining table. From my vantage point as neutral observer, I was able to appreciate the role human emotions play in industrial relations. I watched

with fascination at times, as normally reasonable men would distort out of all proportion, what seemed to be sensible proposals from either side of the bargaining table. I reacted, sometimes with disbelief, to the intensity of feelings, the violent expressions of raw hostility, the general lessening of judgement, of perspective as the negotiators grew tired, unsure and suspicious.

I do not mind saying quite simply that I was shaken at the repetition of this scene where rational and responsible men were forcing themselves, unwittingly of course, into a situation where the most significant decisions, the most responsible of trusts -- the futures of people and property -- were being decided upon when they themselves were at their lowest efficiency, physically, mentally and emotionally.

It was after seeing this scene repeated over and over again, that I came to the conclusion that the difference between success and failure

at the bargaining sessions depended, to a degree not fully appreciated by the public, on the human factor, on the cool judgement of people, on the quality of dialogue.

I realized too, that no matter how perfect might be the legislation of the future, no matter how many commissions or task forces we may refer to in preparing that legislation, in the final analysis, the human element will always be the dominant factor in the events leading up to and including the actual signing of a collective agreement.

Because it is impossible to legislate human emotions does not mean that the problems that cannot be resolved by legislation must remain ignored. These problems must be approached by other means.

It is for that reason we are undergoing many changes within our department. I am not referring to the normal reorganization that goes

on periodically in any organization. I am referring particularly to the review we are making of the philosophy of our department. Have we a role to play in the future that we have not played in the past? Have we a right to be present at the bargaining table and, if so, in what capacity? Are we playing a vigorous enough role during the closed period of the contract? Can this country afford to continue presuming, as we have in the past, that the third segment of society, the segment not at the bargaining table, has no stake in what takes place?

These questions will go unanswered this evening. They will be the subject of other speeches on other occasions. But I think it is right to say that we of the department are now dedicated to early involvement, to a more rational and human mediation approach, to more practical use of our research facilities, to providing better technical information, and to the concept that we must

provide the medium of communication that all too often is missing between labour and management, except perhaps on rare occasions during the negotiating period.

We are hiring more people equipped with the knowledge and the expertise to put this new approach to good use. We are making tangible efforts to acquaint both employer and employee with the facilities we have and the facilities we will acquire.

But what about the unions? What about your own union or association? What are you doing to adjust to the rapid evolution of events in Canada today? Do you approach the bargaining table in the same way, with the same old attitudes that you are about to do battle with the enemy? Do you approach the negotiating period in the same old manner that has been a part of collective bargaining for so long?

May I speak directly to your members for a moment? Did you approve the climate that surrounded the first settlement with AIR CANADA last December? Let us recall that round of negotiations for just a moment. I can talk with some authority. I was there. Your agreement was reached almost on the eve of Christmas. It was finally signed after months of hard bargaining, of slowdowns within the industry, of threatened strike action, of charges and counter-charges. It left scars that may or may not be completely healed. It came, your agreement, almost six months after the old agreement had expired.

Please do not get the impression that I am blaming the union or that I consider Air Canada without sin. I am just describing something that takes place almost daily somewhere across Canada, either in provincial or federal jurisdiction.

But I ask you as members, is this the standard of excellence you accept or are prepared

to accept in the future? Were you really happy at the prospect of going on strike last winter? Were there not moments when you thought there must be a better way, a more civilized way, a less painful way? I thought there was, and set out to do something about it.

We were determined as a department to push the concept, a new concept, that the criteria of acceptability in collective bargaining in the future, must be early and just settlements reached, if at all possible, before the old agreement expired. We felt that the general membership would look upon their negotiating committee with pride and appreciation if this were accomplished. We felt that somehow the average member would welcome such a settlement instead of an extravagant settlement reached after months and months of acrimony, of bitterness, and at the risk of dislocating the productive and service resources of this country.

We challenged your President and Air Canada to meet these new criteria of acceptability. From the moment they accepted this challenge, a new attitude emerged. A new spirit of co-operation, of communication, sprung up between employer, employee and government.

Subsequently, when a request came in for a conciliation officer, we decided, instead, to try the formula that had proven successful some months before in the railway negotiations. We set a target date for settlement, a date fully two weeks in advance of the date the old agreement was to expire. We placed not one, but two mediators at the disposal of the parties and, of course, you know the rest as well as I do. The objective was met, the contract was obtained and I can only say that your negotiating team and that of AIR CANADA are to be warmly congratulated for their willingness to strive for these new criteria of excellence.

But, if I addressed myself directly to the rank and file of your Association a few moments ago, may I be permitted to speak directly to the leaders of your association, for, as your spokesmen, they form part of a small but very important group of people who lead the union movement in this country today.

What did you learn from your two rounds of negotiations with AIR CANADA? Did you sense as I did, that your members preferred the attitude that prevailed in the second round of negotiations? Did you realize after the first agreement that your members were wondering if perhaps there was not a better way? Did not the ratification of the second contract indicate to you that the rank-and-file member readily accepted the concept that early settlements, settlements reached in the shortest possible time, are preferable to those reached after months and months of uncertainty and, quite often, at considerable financial loss to the company

and to the individual, particularly if strike action is taken into account?

Finally, you may have reached the conclusion that too many issues are being referred to the bargaining table. In the future, union and management may have to meet more often in order to do justice to the many complicated problems that are the rule rather than the exception these days.

This is a rapidly changing world. I am referring to the obvious. Technological change for instance, or physical change. This is a period in our history when attitudes are changing. Canadians everywhere and in every discipline are asking questions. People are looking for answers. They no longer accept without question the answers of their leaders. This is true in the world of religion, it is true in the world of politics. It is a healthy and welcome departure. For out of the answers will come a better way of life. People no longer accept mediocrity, nor should they.

It is not unnatural therefore that union members everywhere should ask questions. Often their restlessness is misunderstood by their leaders. Too often the negotiators think this restlessness can be met by obtaining bigger and better contracts. This might satisfy some members, I suppose. But eventually, the more progressive element will insist on satisfying their curiosity on many important issues.

I suggest that the present generation will no longer accept the tired old clichés so often repeated in the past, the clichés suggesting that this reluctance on the part of society to fully appreciate trade unionism, is the result of some nefarious plot on the part of mysterious, unidentified industrialists helped by a reactionary press and other hidden forces, working in unison to suppress the worker. They want to know why there is a reluctance on the part of society in general to accept unions as a welcome ingredient

in the Canadian fabric. Why should there be any stigma attached to organized Labour they wonder? Why is it that poll after poll indicate a growing alienation between society in general and the union movement? They wonder why it is that union members themselves quite often express the opinion that their movement is too strong or too militant. These questions are being asked at a time when unions today include professionals earning upwards of \$20,000 per year. They cannot understand why they are not fully accepted as an integral or completely proper segment of society in this country as they are in other lands.

Is there something about the history of the movement? Surely not, since the history of the union movement is a great one. Probably no other social force in the world has been so responsible for the creation of appropriate standards of wages, of hours, of conditions. No other force in the world has stood between exploitation and the legitimate rights of the worker.

Is it something about the union structure that maintains this archaic and damaging mythology from the nineteenth century?

If the unions are to be better appreciated by their own members, then they must find a better way of communication within their structure. The irony is, that just as industry is growing so large that it is finding it difficult to identify with its own employees, unions too are becoming so big that they are losing contact with their own members. Like the political parties searching desperately for better means of communication with the people, unions must find better techniques by which their members can let their views be known or their displeasure or approval appreciated.

As for the public image of the unions, I believe this could be greatly improved if they would depart more frequently from the usual response they traditionally give when invited to comment or participate.

Governments today are consulting to a greater degree than ever before with the important groups in this country. Surely there are no more important groups in Canada than those representing the worker. But if the voice of labour is to have the influence it should, if its warnings and advice are to have the weight they deserve, then it must be prepared to take new positions on traditional issues. It must be prepared, if the situation warrants it, to support decisions or even advance solutions that may not, in the short term, appear to be in the best interest of the union, but decisions or solutions that are in the best interests of the country and of its citizens and, therefore, in the final analysis, in the best interests of the worker.

The alternative to this is to perpetuate the belief that exists in too many quarters -- that labour is irresponsible, that it refuses to co-operate, that it has nothing to offer and that its

sole role is to obtain as much as possible for its members, regardless of the ultimate cost to society.

The union member I know expects more from his leaders. Many of the labour leaders in this country share my belief. The decision to change, of course, is one for unionists to make.

Finally, I believe that the average member of a union, whether he be a laborer, a highly-trained airline employee, a reliable railwayman, a professional draftsman, a hospital technician, is a remarkable person.

He must and he does continue to take pride in his place of employment. He does not want to destroy that company nor jeopardize its future by unnecessary demands. He wants and is entitled to full compensations for his contribution to his company. He wants to be part of the action. As a Canadian, he is aware of his social responsibilities and is prepared to shoulder his share. He wants a voice in the decision-making as a

taxpayer and he is beginning to question whether or not his leaders appreciate this fact. He is beginning to wonder if now is not the time to face up to the fact that today's problems can only be solved by a degree of communication and co-operation never before realized in this country. He expects a new partnership to emerge, the partnership of government, labour and management, a partnership to carry this great country of ours to its pinnacle of social, economic and human achievement. Fortunately for the union movement, there are men within its ranks who can provide this type of leadership. Many of them are leaders already.

Government and industry must be prepared to accept Labour as a valuable decision-making partner, now and in the future, particularly if the union movement is prepared to shed some of its old traditions and outdated concepts. Together we can meet the social problems of today and tomorrow.

If I am the eternal optimist -- only you have made me so.

NEWS



CANADA DEPARTMENT OF LABOUR, 340 LAURIER AVE. W., OTTAWA, ONT. TEL. 613-992-9469

International Service

CAIL-S 77

Government
Publication

NOT FOR RELEASE BEFORE
12 NOON, E.D.S.T.
OCTOBER 8, 1970

ADDRESS BY
MISS SYLVA M. GELBER
DIRECTOR, WOMEN'S BUREAU
CANADA DEPARTMENT OF LABOUR
TO THE
WOMEN'S CANADIAN CLUB
TORONTO
OCTOBER 8, 1970

WHAT DO WOMEN WANT?

What do women want? It is "A Matter of Simple Justice", according to the Report of a Task Force on Women's Rights and Responsibilities submitted to the President of the United States a few months ago. In Canada, it may be that this simple answer could be considered inapplicable, in view of the difference in the constitutional position of women in this country compared with that of women in the United States.

In Canada, since 1960, women have had the statutory assurance that there will be no discrimination on grounds of sex in connection with the right of the individual to equality before the law,¹ a principle embodied in the Canadian Bill of Rights. This guarantee, of course, applies only to those matters which come within the area of federal jurisdiction. In the United States, however, such a guarantee has not yet been achieved, even at the federal level. An

¹Canadian Bill of Rights, 1960, Section 1(b).

Amendment to the United States constitution, which is once more being sought, to ensure that equality of rights under the law shall not be abridged on account of sex, was in Congressional committees for almost half a century. Although it was recently passed by the House of Representatives, it still has a long road to travel before it becomes law.

The position of women in this country vis-à-vis the law, differs from the position of women in the United States in other respects as well. For example, the Criminal Code in Canada is a federal enactment although it is administered by the provinces. Thus, although criminal law may be applied by the Courts differently from province to province, the basic law is the same in all provinces. For this reason, the situation could not and does not arise in this country as it does in the United States where, for example, a state criminal law in Arkansas² permits longer jail

²Citizen's Advisory Committee on the Status of Women, A Memorandum, (Washington, D.C., March 1970), p.7.

New York Times, Eileen Shannon, "Amendments for Equal Rights for Women", August 9, 1970.

Similar laws in Pennsylvania and Connecticut were repealed two years ago. New York Times Magazine, Robert Sherrill, "That Equal-Rights Amendment - What, Exactly, Does it Mean?", September 20, 1970.

sentences to be imposed on women than on men for the same offence.

Since the Canadian Criminal Code is a federal law, it is subject to the safeguards contained in the Canadian Bill of Rights. In the main, the Criminal Code may be said to reflect the principles of the Bill of Rights, although every once in a while a crack appears. Only recently a provision of the Criminal Code pertaining to vagrancy, was considered in an appeal case before the Ontario Supreme Court. It was contended that the section in question was in contravention of the Canadian Bill of Rights, since it singled out women in connection with an offence for which men could be equally guilty.³

In this connection, the attention of the public should be drawn to a law which was passed by Parliament only a few months ago, the Law Reform Commission Act. It establishes a Law Reform Commission for Canada, with a view to making recommendations for the improvement, modernization and

³Regina vs. Louise Latreille.

reform of the laws of Canada. These recommendations are to include:

the development of new approaches to and new concepts of the law in keeping with and responsive to the changing needs of modern Canadian society and of individual members of that society.⁴

One of the powers of the Commission is to:

receive and consider any proposals for the reform of the law that may be made or referred to it by any body or person.⁵

When this statute was being debated in the Senate, the Honourable Muriel Fergusson, critical of the Criminal Code as it affects women, was prompted to declare:

I do feel that there should not be one kind of justice for males and another for females.⁶

⁴Canada, Law Reform Commission Act, Chapter 64, Section 11, 1969-70, passed May 12, 1970.

⁵Ibid., Section 12.

⁶Canada, Senate Debates, May 28, 1970, p.1123.

When the new Law Reform Commission is established and operating, the women of this country will have the opportunity to bring to its attention certain of the present sections of the law relating to women which might well be redesigned if not eliminated. It should be kept in mind, however, that the Commission's powers do not extend to provincial law, or to matters which come solely within provincial jurisdiction; matters of civil rights fall into this category.⁷

There are certain sections of law in Canada which still reflect the attitudes of another era in which it was assumed that all married women were wholly dependant on and supported by their husbands; and when problems relating to the responsibility for surviving dependants, were viewed as problems solely affecting the male provider. The fact that there are in this country today several hundred thousand women who are the sole supporters of families⁸ is not reflected in some of the law.

⁷British North America Act, Section 92(13).

⁸1966 Census of Canada, "Household and Families"
Dominion Bureau of Statistics, 1969, No. 93-612,
Vol. 11(2-12).

There are also certain laws which affect married women in a way that they do not affect single women. For example, the following question and answer which appeared recently in an Ottawa newspaper relating to tax benefits, is revealing:

Question

My male friend and I have been living together for four years. We would like to get married, but it wouldn't make economic sense. We bought a house, which is registered in my name. My friend pays me rent for it every month. This lets me depreciate the house by five percent of its value each year, and deduct the amount from my income tax. Where does my income come from? My friend, a businessman in a high tax bracket, is a widower with two children. I look after these children, and he pays me a good salary to do so. For him, my pay is a tax deduction. Both these tax-saving devices are perfectly legal for single people living together. Neither would be allowed if we were married. Until these silly tax laws are changed, common-law union has some obvious advantages over official wedded bliss.

Answer

When your friend's children grow up, your income for caring for them will have to stop. Don't worry. Your friend can put you on his firm's payroll as some form of consultant. Your salary will remain deductible from his high-tax income. It's ridiculous, but true, that for tax purposes under present Canadian laws, a girl⁹ friend can be more valuable than a wife.

The reflection in the law of outdated attitudes is still evident in certain provincial statutes such as Workmen's Compensation Acts. Workmen's compensation throughout Canada is administered by provincial Boards in accordance with provincial law. Under these laws, certain employers pay into Workmen's Compensation Funds to cover the risk of accidents or death suffered by their workers during and in the course of their employment. When a workman dies in circumstances set out in the law, then his dependants are entitled to certain monetary benefits.

It is not generally known that Boards are empowered under some provincial Acts, to cut off the benefit of the widow of a deceased workman, on the

⁹ Ottawa Citizen, "Action Line", August 20, 1970.

grounds that, in their view, she may be "leading an immoral or improper life" or "is openly living with any man in the relation of man and wife without being married to him."

The question as to whether society should give to a Board the power to make such moral judgements, without even providing an opportunity for appeal, is a matter of deep concern to the present generation. It should be emphasized that workmen's compensation, unlike welfare, is based on an insurance principle.

Welfare laws and practices in Canada also still reflect the mores of a Victorian age insofar as women are concerned. Directors of welfare are frequently clothed with powers to cut off social assistance on the basis of so-called moral judgements. For example, it has been alleged that a deserted wife on welfare was informed by the Director of Family Benefits that "because of information on file" she fell into a disqualifying category and, in consequence,

welfare allowance for herself and four children was cancelled.

This decision was based on an entitlement requirement that a deserted wife must be living "as a single person." Although a male resident in her home may not be contributing financially in any way towards the maintenance of the household, the woman is penalized by his very presence. Yet, who is to be the judge of her conduct and what bearing has this on the fact that she has been deserted and is responsible for the maintenance of children?

In examining this problem of the deserted wife, the Anglican Church of Canada in a study, pointed out:

The public has no idea of the difficulties facing a deserted woman in relation to ... eligibility for public assistance. Public welfare policy usually requires a woman to lay a charge against her husband in order to establish her eligibility for assistance. For some women the choice is a shocking one: either to testify against her husband or to starve with her children.¹⁰

¹⁰ Anglican Church of Canada, The One Parent Family, 1969, p.24.

The same study examines the position of the unmarried mother in present-day society, pointing out that she faces a wide variety of legal problems and these, in the face of a hostile community:

The unmarried mother is often a living reproach to society. People get rid of their guilt by condemning her.

Her position before the law reflects this.

In a judgement handed down some months ago by a provincial Appeal Court, upholding a judgement by the Superior Court in that province, it was ruled that a mother was not entitled to claim damages for the death by negligence of her son for the reason that the mother was unmarried. In making the ruling, one of the Justices pointed out that reliance was being placed on judgements made by the Supreme Court of Canada in two specific cases (in 1931 and 1967) where it was similarly ruled on the grounds that "the natural parent has no right to claim damages arising

out of the death of an illegitimate child." The Justice went on to state the following:

We do not make the law. 'Judge-made law' does not exist in our legal tradition. We can only apply the provisions of the existing law which, on the point submitted to us, has not been changed since 1930.¹¹

In the field of employment, the position of women still leaves much to be desired, although there have been recent moves which reflect an effort to rectify discriminatory practices. The federal Minister of Labour, the Honourable Bryce Mackasey, has indicated his intention to introduce the necessary legislation. He informed the House of Commons that:

... we hope we will be able to produce more suitable legislation to eliminate discrimination against women in the work force of Canada.¹²

He has also expressed his approval¹²⁽ⁱ⁾ of maternity leave and, in fact, financial benefits for unemployment in the event of pregnancy have been proposed in the White Paper on Unemployment Insurance in the 70s.

¹¹Montreal Gazette, November 28, 1969.

¹²Canada, House of Commons Debates, December 10, 1969.

¹²⁽ⁱ⁾Ibid., November 25, 1968.

In the meantime, however, fully qualified women graduates with all the competence of their male colleagues (as indicated by their examination standing) are frequently unable to get interviews with representatives of industrial firms who seek qualified personnel in the placement offices even of the universities where the women graduated.¹³

In a recent study published by the Public Service Commission,¹⁴ it was conceded that opportunities for women in the Public Service also have been severely limited. In spite of the merit principle which has been in operation in the Canadian service for years, it was only in 1967 that an Amendment was made in the Public Service Employment Act prohibiting discrimination on grounds of sex.

¹³Canada Department of Labour, "Highly Qualified Manpower Policies and the Canadian Woman Graduate: What Price Discrimination?", Women's Bureau '69 (Ottawa: Queen's Printer, 1970).

¹⁴Kathleen Archibald, Sex and the Public Service, (Ottawa: Information Canada, 1970).

In the academic world, it is a fact that there are few women holding senior academic posts in the universities; and it has frequently been rumoured that there are quotas in some university faculties in connection with the enrolment of women. In an interview published earlier this year,¹⁵ an Assistant Dean of Medicine allegedly stated that there was no discrimination regarding the admission of women to the Faculty of Medicine at his university; women students were said to be admitted on the basis of the same criteria as men. But he is said to have stated that it is necessary to seek assurances that they are sufficiently motivated before accepting them, since the university feared that they would interrupt their career on account of marriage. Obviously, no such examination of motives is made of male candidates.

¹⁵ Le Soleil (Quebec), February 18, 1970.

In practically every jurisdiction in Canada, there are laws which stipulate that where men and women do approximately the same work in the same establishment, they shall be paid the same wage for the same work without regard to sex. In spite of these enactments, wage differentials on grounds of sex are the order of the day in this country, as in most industrial countries. The absurdity, not to mention the injustice, of this situation is reflected in the following news item:

Switches sex,
gets a raise.

Pretoria, South Africa (AP)-
Andre Strydom's salary is to be increased because of recent surgery. A series of sex change operations switched him from Sylvia to Andre and he has been medically certified as a male. Mr. Strydom, 41 is employed as a clerk by the Public Service Commission, which has a higher pay scale for males than females.¹⁶

¹⁶The Globe and Mail (Toronto), April 8, 1969.

And what of fringe benefits, particularly pensions and retirement plans? Eligibility for pension plans is generally based on age and service. The amount of benefits provided through these plans is therefore affected by the number of years during which an employee has been in the plan. Thus, age on entry and age on retirement are both matters of crucial concern. As a matter of equity, therefore, it might have been assumed that all employees in a single organization would be entitled to one uniform set of regulations pertaining to years of entitlement. Unfortunately this is still not always the case.

In a Dominion Bureau of Statistics study¹⁷ published some time ago, the facts were set out very clearly. Under some plans, male employees were shown to be eligible for pension plan participation several years before women, although the women were working in the same establishment. Where male employees were

¹⁷Dominion Bureau of Statistics, Pension Plans Non-Financial Statistics 1960 (Ottawa: Queen's Printer, 1962), p.23.

eligible at the age of twenty-one, female employees only became eligible at the age of twenty-five. This is "justified" in another study published by a private firm¹⁸ on the grounds that "the higher age for females is set in recognition of the heavy turnover at younger ages due partly to females leaving to marry." It should be noted, in this regard, that the heavy turnover rate of young male executives seeking promotions in other firms, does not seem to have had a similar effect on the pension eligibility requirements.

Pension plans are designed so as to provide pension for employees at what is generally termed "normal" retirement age. As pointed out in a study of pension plans carried out by the federal Department of Labour a few years ago, "the normal retirement age for females ... is 5 years earlier than males."¹⁹ However, in another study published

¹⁸Norman G. Kirkland, "The Design of Pension Plans in Canada", Pensions in Canada, ed. Laurence E. Coward (Don Mills, Ontario: CCH Canadian Limited, 1964), p.119.

¹⁹Canada Department of Labour, Economics & Research Branch, A Study of Pension Plans in Sixty-Six Companies in Canada (Ottawa: Queen's Printer, 1964), p.10.

by a private firm, it was noted that there was the beginning of a trend to establish a higher "normal" retirement age for female lives than 60 because "of the cost factor."²⁰ The same study declared that "it has been found the female employees maintain their value to employers beyond the formerly accepted age of 60."

It is interesting to note that the change said to be taking place with regard to the different retirement ages for male and female employees, is not due to a more enlightened view on the part of industry; nor is it due to an effort on their part to rectify differential treatment between their male and female employees. The trend is due to the happy circumstance that the present system is more costly.

In spite of the trend, however, it has been authoritatively stated that "there are still many pension plans under which age 60 applies in the

²⁰National Trust Company, Pension Division, A Study of Canadian Pension Plans (National Trust Company Limited, 1961) p.4.

case of females."²¹ The compulsory earlier retirement age for women is particularly ironic in the light of health surveys and life expectancy figures. According to up-to-date data,²² at the age of 55 the male can expect 20.38 more years of life, while the female can expect 24.70 more years.

That women are also healthier during the years 45 to 64, is reflected in the vital statistics for that age group which show a death rate per 100,000 population for cardiovascular diseases for men 643; and for women 244. Similarly, the rate due to influenza, bronchitis and pneumonia for men is 45 as opposed to 14 for women.²³

It seems clear, therefore, that women not only live longer than men, but they are also less vulnerable in their more advanced years to such illnesses as heart disease and respiratory infection.

²¹Kirkland, op.cit., p.122.

²²Life Tables, Canada and Provinces, 1965-67 (to be published shortly by Canada Dominion Bureau of Statistics).

²³Dominion Bureau of Statistics, Canada Yearbook, 1969 (Ottawa: Queen's Printer, 1970), p.246.

Yet women are frequently forced to retire half a decade earlier than the men. The fact that Old Age Security pensions become available only at 65 adds to the hardship of the women.

A challenge to the discriminatory age provisions in a pension plan for employees of a public library in one part of Canada has recently been posed by a trade union. In this case, a woman employee was asked to retire at the age of 60 although the male employees doing the same work were permitted to work until 65. An arbitration board decision supporting the earlier retirement, is to be appealed to the responsible tribunal in that province.

In view of the fact that the provincial Human Rights Act contains a clause, still rare in Canada, prohibiting discrimination on grounds of sex with regard to any term or condition of employment, it will be interesting to watch the result of the union appeal. This case, therefore, raises an issue which may become widespread in Canada, as more and more

jurisdictions enact legislation prohibiting discrimination in employment on grounds of sex.

These then are some of the conditions which face women today. They are not necessarily the conditions about which all women may be aware, but they reflect an attitude on the part of society which is no longer acceptable. It is anticipated that the Report of the Royal Commission on the Status of Women will examine attitudes and present solutions designed to bring about an early change.

What do women want, and in particular what do Canadian women want? They want justice and they want fair play. These are also the goals of Canadian society as a whole, men and women alike. It has been in the furtherance of these goals that considerable efforts have been made during the last few years, through legislation and through education, to eliminate discrimination in this land. It is no longer legal, nor is it acceptable, to discriminate on grounds of colour; on ground of religion; on grounds

of racial extraction; or even, in a few cases, on grounds of age. Yet it is still not recognized that when women are refused opportunities in employment and education; when they are treated less favourably than men in circumstances which should have dictated the same conditions, that this too is discrimination. It is discrimination on grounds of sex. It is not only in the interest of women that this injustice must be rectified; it is in the interest of our country which boasts a free society:

The woman's cause is man's: they
rise or sink/Together.

NEWS



CANADA DEPARTMENT OF LABOUR, 340 LAURIER AVE. W., OTTAWA, ONT. TEL. 613 992 9469

CAIL-577

NOT FOR RELEASE BEFORE
6 PM, E.D.S.T.
DECEMBER 14, 1970

ADDRESS BY
MISS SYLVA M. GELBER
DIRECTOR, WOMEN'S BUREAU
CANADA DEPARTMENT OF LABOUR
TO THE
CANADIAN FEDERATION OF UNIVERSITY WOMEN
BROCKVILLE
DECEMBER 14, 1970



WHERE STANDS THE
CANADIAN FEDERATION OF UNIVERSITY WOMEN?

In Canadian institutions of higher learning, particularly in such faculties as law, economics and other social sciences, the labour laws of Canada, both provincial and federal, are undoubtedly subjects of study. Among the labour laws which have been in effect for years in the federal and provincial areas of jurisdiction, are laws which state, in clear and unequivocal language, that where men and women are doing similar work in similar circumstances, then they shall be paid at rates which do not differ solely on grounds of sex.

In these circumstances, it may come as something of a puzzle to those who support universities, including all Canadian taxpayers, that there is a difference in staff salaries between male and female teaching staffs in some universities. In the recently published Report of the Royal Commission on the Status of Women reference is made to a study undertaken for the Commission in which:

It was found that slightly more than half this difference could not be explained by any or all of the factors of age, degree held, field of specialization, university, region or academic rank. On the basis of this study, sex appears to be a factor in the lower earnings of the female academic.¹

In the larger universities in Canada,² a professor who has been appointed, presumably because of adequate qualifications, and who is of the female sex, receives a median salary which is 7.9% less than that of her male colleague holding the same rank. In the case of an associate professor, the woman receives 3.9% less; while in the case of the assistant professor, the differential is 4.7%. In the ranks of lecturers and instructors, the differential is somewhat greater: 8.7%.

The situation in small colleges, where the designations associate professor and assistant professor are not used, teachers above the rank of lecturer or instructor are classified as professors.

¹Report of the Royal Commission on the Status of Women in Canada (Ottawa: Information Canada, 1970).

²Dominion Bureau of Statistics, Salaries and Qualifications of Teachers in Universities and Colleges, 1969-70, Catalogue No. 81-203 (Ottawa: Queen's Printer, 1970).

A woman professor in such an institution receives a median salary which is less than that of her male colleagues by 48.7%!

It might also be of interest to the Canadian taxpayer and to those who give additional support to our institutions of higher learning, to know that while women graduates make up more than one-third of the total,³ only about one-seventh of the full-time teaching staffs in universities and colleges, consist of women.⁴ It is not clear whether this is due to the fact that differentials exist in salaries paid to women faculty members, thus discouraging them from entering the field of teaching in the institutions of higher learning; or whether there is also some hesitation on the part of universities to employ women.

According to statements made public two years ago by a number of women professors,⁵ the

³Dominion Bureau of Statistics, Advanced Statistics of Education 1970-71, Catalogue No. 81-220 (Ottawa: Queen's Printer, 1970).

⁴Dominion Bureau of Statistics, Survey of Higher Education, Part II: Degrees, Staff and Summary, Catalogue No. 81-211 (Ottawa: Queen's Printer, 1970).

⁵Toronto Telegram, December 16, 1968.

Association of Universities and Colleges of Canada and the Canadian Association of University Teachers, having suggested that a submission should be prepared for the Royal Commission on the Status of Women, subsequently refused to endorse the recommendations in a brief prepared by a committee set up for the purpose, on the grounds that it was "tendentious", and "tending to prove a case." In explaining the stand taken at that time by the Association of Universities and Colleges of Canada, the Executive Director is stated to have said that although he agreed that "in many cases women have been handicapped in universities and, in certain areas, prejudice exists, ... the Committee carried their case too far to receive a general endorsement." It may be that this Association has somewhat relented in the intervening years since, in a recent submission to the Government of Canada, the Association noted that "there are constraints which discourage women, regardless of their ability, from entering university."

It would seem that there are many constraints

since recent data⁶ reveal that there has actually been a diminution in the percentage of women proceeding to post graduate degrees. The percentage of women acquiring the masters degree in 1955-56 (20.8%) was higher than that in the year 1968-69 (19.5%); the percentage of women earning doctorate degrees was considerably higher in 1945-46 (11.5%) than in 1968-69 (7.9%). There is another interesting feature revealed in the data pertaining to the level of bachelor degrees. The percentage of women enrolling for this degree course was 32%⁷ of the total; the percentage of women receiving the degree was 37.3%.⁸ Obviously there were fewer casualties among the women students somewhere along the road to graduation!

These then are the facts. Women of high academic competence who teach in our institutions of

⁶Dominion Bureau of Statistics, Survey of Higher Education, Part II: Degrees, Staff and Summary, Catalogue No. 81-211 (Ottawa: Queen's Printer, 1970).

⁷Dominion Bureau of Statistics, Survey of Higher Education, Part I: Fall Enrolment in Universities and Colleges 1969/70, Catalogue No. 81-204 (Ottawa: Queen's Printer 1970).

⁸Dominion Bureau of Statistics, Survey of Higher Education, Part II: Degrees, Staff and Summary, op. cit.

higher learning, receive less remuneration than their male colleagues, apparently solely on the grounds of sex. This situation is particularly ironic, existing as it does fifty-one years after the establishment of the principle of equal pay for equal work, a principle embodied in the constitution of the International Labour Organization of which Canada was a founding member in 1919. These are the facts seven years after Canada ratified, following consultation with the provinces, an International Labour Convention prohibiting discrimination in employment on grounds of sex. The ratification of this Convention signified Canada's readiness as a matter of public policy, to promote equality of opportunity and treatment in employment.

Ten years ago, at the General Conference of the United Nations Education, Scientific and Cultural Organization meeting at its 11th Session held in Paris, an International Convention Against Discrimination in Education was adopted. Although

the primary purpose of this instrument was to further international collaboration, it specifies that a state which becomes a party to the Convention, undertakes to formulate, develop and apply a national policy which will tend to promote equality of opportunity and of treatment in the matter of education. Canada supported this Convention, although its representative pointed out that the subject of education is a constitutional responsibility of the provinces under the British North America Act.

It would seem to be quite clear, that insofar as public policy in Canada is concerned, governments are committed to endeavour to eliminate discrimination in employment of all kinds; as well as discrimination in education; discrimination in employment in the educational field would seem to compound the insult to public policy. The universities of Canada, of course, are not integral parts of government and are therefore not bound by policies enunciated by the government. However, it might have been assumed that because of the very nature of the function

carried out by institutions of higher learning, they would have been in the forefront by practising enlightened, not to mention legal, employment policies.

The question of discrimination in non-academic employment affecting university graduates, was dealt with last year in a paper entitled "Highly Qualified Manpower Policies and the Canadian Woman Graduate: What Price Discrimination?"⁹ It was pointed out that Canadian employers recruiting staff through placement services even on the campuses of universities, were refusing to interview qualified women graduates for two-thirds of the jobs listed in a Canadian Directory. Hopefully, the publicity attendant on the public discussion of these practices prompted the editors of the Directory, if not the recruiting companies, to re-consider these discriminatory practices. In all circumstances, there is no reference to the sex of the applicant in the current edition of the Canadian Directory.

⁹Canada Department of Labour, Women's Bureau '69 (Ottawa: Queen's Printer, 1970).

Presumably, therefore, the placement services of the universities need no longer refuse to arrange interviews for their women graduates seeking employment.

And where does the Canadian Federation of University Women stand in the light of these existing conditions in Canadian universities? In a brief presented to the Royal Commission on the Status of Women some two or three years ago, the Federation stated that "great battles have been won and that much of what is still to be done is in the form of cleaning-up operations." These cleaning-up operations are described in the brief as the need to remove "small inequalities."¹⁰

A few months ago, the outgoing President of the Canadian Federation of University Women was quoted in the press as saying:

We feel the things our forebears
had to fight for 40 or 50 years
ago - such as women's right to
higher education and equal pay for
equal work - have been granted.¹¹

¹⁰The Canadian Federation of University Women, Brief to the Royal Commission on the Status of Women in Canada. (Mimeographed).

¹¹Ottawa Journal, August 17, 1970.

The Canadian Federation of University Women has described its function as, designed "to provide leadership in encouraging women university graduates to augment or refresh their academic skills, primarily to enable them to enter or re-enter employment, and to work with universities and governments to this end."¹² If indeed these are the goals of the Federation, then it would seem appropriate to examine the facts as they have been shown to exist. Women employed in our universities are not merely subjected to "small inequalities"; nor has the principle of equal pay for equal work been achieved even within the precincts of the university. It would seem that society as a whole has not as yet shown its readiness to implement public policy as enunciated by its government.

Where stands the Canadian Federation of University Women? Undoubtedly the Federation does not condone the conditions to which women academics are subjected. If this is so, then perhaps the time has

¹² Patricia Cockburn, Women University Graduates in Continuing Education and Employment (Publisher not given. Copies available, University of Toronto Bookstore, Front Campus, Toronto 5, Ontario).

come for the Federation to make this abundantly clear. For within the ranks of young women enrolled in the universities, there is a growing disenchantment with established organizations. Such disenchantment undoubtedly leads to a sense of frustration. It is out of this sense of frustration that rather harsh words are being said and that somewhat confused views may be put forward. But the causes of this frustration lie in the inequities which have been too long tolerated in our society. The Canadian Federation of University Women should, in truth be giving leadership in this age of rapid change.

CAIL-S 77

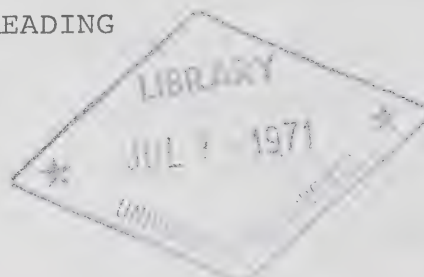
BILL TO REVISE THE CANADA LABOUR CODE

(Industrial Relations and Disputes Investigation Act)

STATEMENT ISSUED BY

THE HONOURABLE BRYCE MACKASEY, P.C., M.P.,

AFTER FIRST READING



JUNE 28, 1971

The Bill just introduced in the House of Commons calls for the first revision of the federal industrial relations law since 1948, when the Industrial Relations and Disputes Investigation Act was passed. It is the result of a lengthy study based on experience with the present statute; the report of the Woods Task Force, whose research and recommendations provided a strong foundation for the study; submissions subsequently made to me by representatives of labour and management; and related consultations with provincial governments.

No one will be surprised to learn that the Bill reaffirms the faith of this Government in the process of free collective bargaining, including the right to strike. The Bill will provide no comfort for those who look to restrictive legislation for solutions to the problems of industrial relations. Indeed, it will provide no comfort for anyone who thinks that, in this field, the law should be able to work miracles. In my view--and I have been saying this publicly for a long time--steady improvement in the quality of our industrial relations will call for continuing effort by governments, employers and trade unions, working together on a broad front.

The Bill just introduced in the House of Commons calls for the first revision of the federal industrial relations law since 1948, when the Industrial Relations and Disputes Investigation Act was passed. It is the result of a lengthy study based on experience with the present statute; the report of the Woods Task Force, whose research and recommendations provided a strong foundation for the study; submissions subsequently made to me by representatives of labour and management; and related consultations with provincial governments.

No one will be surprised to learn that the Bill reaffirms the faith of this Government in the process of free collective bargaining, including the right to strike. The Bill will provide no comfort for those who look to restrictive legislation for solutions to the problems of industrial relations. Indeed, it will provide no comfort for anyone who thinks that, in this field, the law should be able to work miracles. In my view--and I have been saying this publicly for a long time--steady improvement in the quality of our industrial relations will call for continuing effort by governments, employers and trade unions, working together on a broad front.

The Bill just introduced in the House of Commons calls for the first revision of the federal industrial relations law since 1948, when the Industrial Relations and Disputes Investigation Act was passed. It is the result of a lengthy study based on experience with the present statute; the report of the Woods Task Force, whose research and recommendations provided a strong foundation for the study; submissions subsequently made to me by representatives of labour and management; and related consultations with provincial governments.

No one will be surprised to learn that the Bill reaffirms the faith of this Government in the process of free collective bargaining, including the right to strike. The Bill will provide no comfort for those who look to restrictive legislation for solutions to the problems of industrial relations. Indeed, it will provide no comfort for anyone who thinks that, in this field, the law should be able to work miracles. In my view--and I have been saying this publicly for a long time--steady improvement in the quality of our industrial relations will call for continuing effort by governments, employers and trade unions, working together on a broad front.

Speaking for the federal government, I can say that we see the Bill now put before the House as one element in a program of legislative and non-legislative initiatives designed to put us in a better position to deal, in cooperation with labour and management, with the basic causes of industrial tension and conflict.

I would like to stress the importance of the non-legislative side of the program which will continue to receive a great deal of attention. Our efforts to reorient the federal conciliation services, placing heavy emphasis on industry specialization, continuing involvement and preventive mediation, have already produced satisfying results. In the past year, leaving aside a short-lived and unauthorized work stoppage affecting railways in western Canada, there has been only one major strike within federal jurisdiction--the one at Flin Flon, recently settled. And there have been a large number of key settlements, reached without work stoppage, in the major grain elevators, in the airlines and railways, on the St. Lawrence Seaway and the Great Lakes and in the

Port of Toronto. The record speaks for itself and convinces me that the collective bargaining process, supported by improved government services, can be made to work well, without heavy-handed or arbitrary intervention by the state.

This, at any rate, is the position on which this Government stands. It is the position which the policies and programs of my Department will continue to support. It is the position on which the Bill is founded.

In my view, the Bill represents an important piece of proposed legislation. Although rooted in principles underlying the present law, which have served the country well, it provides for a comprehensive revision and contains many new features--of which only a few can be mentioned in this statement.

There is provision for an extension of bargaining rights and for procedures which, while preserving the requirement for majority support, should make it easier for trade unions to gain certification as bargaining agents for new bargaining units.

A broader range of unfair practices are defined and prohibited in order to protect the rights, not only of employers and trade unions, but also of individual employees and trade union members.

Under the provisions of the Bill, responsibility for the settlement of disputes would continue to rest with the Minister of Labour--but the conciliation process would be more clearly defined and broadened to permit a somewhat wider choice of techniques.

In various statements made during the past few years, I have expressed my concern about situations in which the basic assumptions underlying a collective agreement are upset by the effect on employees of technological change introduced during the lifetime of the agreement. This is a growing problem to which Mr. Justice Freedman addressed himself some years ago, when serving as a commission of inquiry. I am pleased to be able to say that the Bill deals with the problem. It includes pioneering provisions that would provide trade unions with notice of all significant technological changes and, in carefully defined circumstances, permit them to negotiate during the lifetime of an agreement about provisions designed to assist employees in adjusting to the effects of change.

The Bill would retain provision for arbitration of differences arising from the interpretation of agreements but would define with much more precision the status and powers of arbitrators.

It would also provide for a full-time Labour Relations Board. And it would place on the Board responsibility, not only for the traditional functions associated with the determination of bargaining units and certification of bargaining agents, but also for a number of important and demanding new functions, some representing a transfer from the courts, others made necessary by new statutory provisions.

I think this is an important Bill. I am pleased that its introduction at this time will permit Members of Parliament and interested employers and trade unions to examine its contents carefully during the summer recess. I will be very much interested in the views expressed as a result of this process--because, when Parliament returns, we will be moving on the basis of the Bill to establish a sound and satisfying legal

framework for industrial relations in the 1970's.

I think I can speak for the Government, and indeed for all members of the House, in saying that we are anxious to do a first-class job.

framework for industrial relations in the 1970's.

I think I can speak for the Government, and indeed for all members of the House, in saying that we are anxious to do a first-class job.

CAIL-S 77



ACT TO AMEND THE CANADA LABOUR CODE

(Part V -- Industrial Relations)

STATEMENT ISSUED BY

THE HONOURABLE MARTIN O'CONNELL, P.C., M.P.

AFTER FIRST READING

MARCH 27, 1972

The Bill just introduced in the House of Commons, an Act to amend Part V of the Canada Labour Code (Industrial Relations), is the successor to Bill C-253, which was given first reading June 28, 1971. At that time, interested employer groups and trade unions were asked to examine it carefully and to express their views to the Government.

Many representations concerning the Bill were received from labour, management and interested individuals. The Honourable Bryce Mackasey and other Ministers, including myself in recent months, met with representatives of many of the organizations. Their views have been carefully weighed in the preparation of this legislation.

The present Industrial Relations and Disputes Investigation Act has stood unchanged since 1948. The experience of the Department in the administration of this legislation, the views of those who work within its framework, and consultations with the provinces have amply demonstrated the vital need to update the Act. This need was further supported by the Woods Task Force Report.

Canada's social and economic objectives in the Nineteen Seventies can be met only if our industrial relations system can accommodate rapid and continuing changes in our society. New ideas and concepts must be introduced into the labour-management relationship if we are to master the evolving social and economic consequences.

The provisions of the Bill are intended to protect the public interest by increasing the stability of the labour-management relationship throughout the collective bargaining process.

I firmly believe that all parties affected by the Bill -- employers, employees, trade unions, government and the public -- genuinely desire stability in the labour-management relationship. This the Bill seeks to promote by strengthening free collective bargaining and promoting the constructive settlement of disputes, through an improved legal framework.

In considering this Bill it is well to remember that the accelerating pace of technological change is creating conditions which seriously jeopardize that stability.

The portions of the predecessor Bill that aroused the most concern among employers were those regarding technological change. These have been rewritten. The fundamental difference is that under the revised Bill employers who have negotiated with unions for provisions or procedures in their contracts dealing with technological change will not be affected by this portion of the Bill.

In considering the impact of technological change, the government was faced with two seemingly conflicting goals; on the one hand the necessity of encouraging change to reach our social and economic goals and, on the other hand, the desire to minimize the social and economic dislocation to employees caused by such change.

In studying the options open between these two goals, the government believes the Bill represents the best solution.

The technological change provisions have been clarified so that in three circumstances they do not apply. These are:

- (1) where the employer has given notice in writing of the technological change during the open period;
- (2) where the collective agreement sets out procedures by which the effects of a technological change may be negotiated and settled; and
- (3) where provisions are contained in the collective agreement to assist employees affected by technological change.

The technological change provisions would not apply to existing collective agreements, but only to those made after the Bill came into force.

By making these clarifications to the technological change provisions of the Bill we believe that the concerns of management and of certain trade unions have been met.

The legal safeguards in the Bill are expected to expedite the acceptance and implementation of technological change by enlisting the cooperation of both labour and management. This is what many employers are already doing to improve productivity.

The Bill contains a preamble which reaffirms the desire of the Government to extend its support to labour and management in their cooperative efforts to develop good relations and constructive collective bargaining practices.

The provision of the predecessor Bill which sought to clarify the legal position of picketing associated with labour-management relations has been withdrawn. This provision was unacceptable to both labour and management and in view of the fact that there is jurisprudence on the subject we concluded that it was desirable to withdraw it.

Only a few changes have been mentioned in this statement. However, it should be noted that the new Bill also contains many more changes relating to such areas as extension of bargaining rights, status and powers of arbitrators, stronger provisions with respect to unfair practices, wider choice of dispute settlement techniques for the Minister of Labour, a full-time Labour Relations Board and improvement in certification procedures.

In its revised form the new Bill represents the results of participatory democracy. The extensive changes that it introduces in replacing the act of 1948 should set the stage for a new period of cooperation in labour-management relationships. I believe the Bill provides the legal framework for industrial relations that is needed to meet the changing environment of the Nineteen Seventies.

CAIL-S77

Government
Publications

ACT TO AMEND THE CANADA LABOUR CODE

(Part I -- Fair Employment Practices)

STATEMENT ISSUED BY

THE HONOURABLE MARTIN O'CONNELL, P.C., M.P.

AFTER FIRST READING

MAY 10, 1972

As I am sure you are aware, Part I of the Canada Labour Code (Fair Employment Practices) prohibits discrimination in employment, within federal jurisdiction, based on race, colour, religion or national origin. Similarly, no trade union may exclude, expel or suspend a person from full membership on the same grounds.

The amendments to this Part of the Code, which are contained in the Bill which I have just introduced in the House would substantially reinforce and improve the government's ability to seek and eradicate such discrimination wherever it occurs within the federal jurisdiction.

Before giving a general description of the proposed amendments I would draw your attention to the specific proposal that the list of prohibited reasons for discriminatory acts would be expanded to include age, sex and marital status.

These particular areas have been, for some time, a matter of increasing concern for the government. Their inclusion in the new Bill is

tangible evidence of the more aggressive approach that will be taken to combat the moral, social and economic evils that discrimination represents.

The inclusion of sex as a prohibited reason for discrimination stems from the government's firm commitment to improve the status of Canadian women; my colleague, the Honourable Bryce Mackasey, outlined last Thursday a number of other government initiatives in this area.

The experience of human rights administrators in Canada has been that an increasing volume of complaints has been received respecting employment policies affecting married women. The principal complaints have been that married women are not hired by many employers, and that many employers release women when they marry.

I would stress, however, that protection against discrimination on grounds of age will not apply where age is a bona fide occupational qualification. Nor will it apply to retirement at the regular retirement age for fellow employees doing similar work. And protection against discrimination on grounds of sex will not apply when the sex of an employee is an inherent requirement of the job.

It is also important to note that the Bill would not apply to any superannuation or pension plan, or to any insurance plan that provides life, accident, sickness or disability benefits. Without this exclusion a great number of such plans might be found to be illegal resulting in substantial disruptions. The government recognizes that there may be discriminatory elements in these plans, and is considering what can be done to remedy the situation.

As well as this augmented program extending into new areas, the Bill also provides for another significant change. Under the present Act, an investigation can only occur when a person had filed a signed complaint alleging discrimination. What is now proposed is that the Department, through its Fair Employment Practices Branch, may initiate a discrimination investigation when there is reason to believe the Act has been contravened. This amendment will facilitate the investigation of what could be called institutionalized discrimination.

More stringent penalties are proposed. On summary conviction of an offence under the Act, these penalties would be increased from \$100 to \$1,000 in the case of an individual, and from \$500 to \$10,000 in the case of an employer or a trade union.

In addition, the new Bill makes it possible for the government to seek an injunction to prohibit repetition or continuation of an offence. No such provision exists under the present Act.

Another change affects the number of people covered by the Act which now applies to employers with five or more employees. The new Bill proposes the extension of the legislation to cover all employers.

A further area of concern to the government has been that under the existing Act there is no protection for a person against discrimination by an employer or a trade union because of his connection with another person - for example, in the case of a racially-mixed marriage. Under the new Bill,

discrimination against a person would be unlawful not only if it takes place because of the individual's race, colour, religion, national origin, age, sex or marital status, but also if it is due to the race, colour, religion, national origin, age, sex or marital status of any person with whom he or she has a relationship or association. In addition, the new Bill stipulates that where there is a bona fide occupational qualification for doing so, a married couple may be specified for employment.

The new Bill embodies extended protection for employees who may be connected with an investigation of alleged discriminatory practices by an employer or a union. While the present Act forbids such a person from being discharged, expelled, or discriminated against, the new provisions would also make unlawful threatened discharge from employment or expulsion from a union and intimidation of a person who has made a complaint, given evidence or assisted in the complaint procedure.

A further amendment contained in the new Bill is that the definition of "national origin" will now include place of origin, as well as nationality and ancestry, which are in the present definition.

The Bill also clarifies the status of special employment programs for groups that have historically been discriminated against. The proposed legislation would clearly establish that special programs, approved by the Minister, to improve employment opportunities for such groups, will not be deemed to be discriminatory under the legislation.

I should also mention the fact that, contained within this proposed legislation, is a provision to amend the Public Service Employment Act by the addition of marital status and age as prohibited reasons in the prescribing or applying of selection standards. Present prohibited reasons are sex, race, colour and religion.

With this brief summary, I feel confident in suggesting that the new Bill marks a significant advance toward the objective of equal employment opportunity and treatment for all Canadians. Seeking as it does to overcome the serious disadvantages under which some groups suffer with respect to employment, I feel certain that its expanded provisions will receive the support of all Canadians in all segments of the national community.

CAN-577
CHECK AGAINST DELIVERY

INFORMATION

ADDRESS BY

SYLVA M. GELBER

DIRECTOR, WOMEN'S BUREAU

CANADA DEPARTMENT OF LABOUR

TO THE

CANADIAN CLUB

TORONTO

NOVEMBER 24, 1975

12:00 NOON



The designation of the year now ending, 1975, as International Women's Year by the United Nations, and the convening of the world-wide conference in this connection a few months ago in Mexico City, had a special significance in relation to a number of urgent world-wide issues, a significance which has not been adequately grasped by those endeavouring to weigh the import of the events. For the status of women in society has been found by international consensus to bear a direct relationship to the crucial issue of population growth. The unprecedented growth of population in turn, was recognized as crucial in connection with the problem of human environment. Not unnaturally, the size of the world's population is directly related also to the adequacy of the supply and distribution of food. Each of these problems has been the subject of an international conference convened by the United Nations.

Throughout the debates at these United Nations conferences, running through the discussions as a common thread, was the theme that problems of food production and distribution; and problems associated with the

environment, pose a threat to the very existence of the human race. It was conceded that these problems flowed directly or indirectly from the unprecedented increase in the size of the world population; and that the size of the world population bears a direct relationship to the status of women. While it was recognized that the low level of the status of women was not the sole factor igniting the explosion of population in vast areas of the world, it was generally conceded that where the status of women is higher, the risk inherent in uncontrolled population growth is lower.

It has been estimated that the world's population will double over the next generation and that in consequence, the most challenging years in the history of mankind may have to be faced during the three decades immediately ahead. There is no question that the explosive growth of population in vast areas of the world, constitutes an overwhelming new factor in human affairs.

At the United Nations Conference on the Human Environment held in Stockholm, Sweden in 1972, it was resolved that adequate policies and measures would have to be adopted wherever the national growth of population

presents problems in connection with the preservation of the environment. One of the principles agreed to at that conference was the need to encourage nations to adopt demographic policies, although these were not described as being intended to bring about limitation in size of populations. Unfortunately, because of the fears and suspicions of some countries concerning policies which might have as a goal the limiting of population, the principle of encouraging states to adopt population policies received international approval only when made subject to the reservation that such policies should be "consistent with national value systems." Presumably where the prevailing national value system conflicted with an enlightened demographic policy, it would be internationally acceptable for a state to follow an unenlightened and potentially reckless policy.

At the United Nations World Food Conference held in Rome, Italy in November 1974, quite naturally, particular attention was given to the existing problem of world hunger, a hunger which affects some 700 million people. In a world in which these numbers are living at or near starvation it might properly be stated that food is the century's most critical concern.

Yet there is an irony in this situation, for it is a fact that during the two decades following the last war, food production had actually been on the increase even in developing countries. The rate of production increased in developing countries at the same rate that it increased in developed countries. But there is one great difference between the developed and developing nations in this regard: the rate of consumption. In the developing countries there are now many more people to feed than heretofore.

Although the number of births may not be substantially changed in the areas of the world where population size is now a threat, the positive outcome of the great struggle waged by public health experts in the earlier years of the century is now being clearly reflected in survival rates. No longer do plagues and epidemics decimate populations. The survival of millions who would have perished but a few decades ago, has brought about a revolution in food demand. While the recent rate of increased demand for food was recently estimated to be 2.5% in developed nations, it was 3.5% in the developing countries. Yet in spite of one of the obvious reasons for such increased demand, the fact that there are now more and more mouths to feed, it was ironically at the World Food Conference that the subject of population growth

was absent from the agenda.

To discuss crucial world problems which plague mankind at the beginning of the last quarter of the 20th century without discussing the problem of population growth, would seem to be an exercise in futility. But equally futile is any discussion of world population growth without serious consideration of the status of women, for these two matters are inexorably bound together, the amelioration of one depending as it does on the improvement in the other. In fact it was for this reason that it was resolved at the World Food Conference that priority consideration of women be given in every stage of the design, planning, implementation and evaluation of development programs and projects.

There are those who argue that uncontrolled increase in population need pose no problem in a world which has learned through the use of modern technology and science, to raise the levels of living for all. The adherents of this view claim that the earth is capable of producing the means for a good life for all. The problem, they contend, is solely political and economic. They refer to the undeniable evidence of the relationship between a high standard of living on the one hand

and a levelling off of the rate of human reproduction on the other.

Many developing countries, particularly those countries in which the vast majority of the impoverished population is black, are of the opinion that the developed countries are now prepared to preach to them the need for control of population although no such control was self-imposed during their years of industrial development. They conclude that an appeal to the black races for population limitation at this time, therefore, is a thinly disguised attempt at nothing short of genocide. They see the future of the black race threatened by talk of population limitation.

It is difficult to persuade peoples who have little or no reason to put their trust in the spokesmen of those same powers which have for centuries exploited the resources of others almost exclusively for their own benefit, that the need for population control is a genuine crucial need in their own interest as well as in the interests of others. It is hard to convince them that the facts of life today dictate a need for control of human reproduction in a way which did not heretofore exist when plagues and epidemics were the means for achieving a balance in human population.

Yet the solution of the current crisis cannot be postponed until the day when the developing countries are persuaded of the sincerity of proposals for population limitation. Nor can it be delayed until we have achieved those social and economic levels throughout the world which in themselves may result in a lowered rate of human reproduction. Time is of the essence.

The debate which is being aired in international arenas, therefore, should not be an academic one as to whether population levels will automatically come into equitable balance along with the equalization of social and economic levels across the world; but rather what emergency measures are essential for human survival until that goal can be achieved. The goal of universal social and economic justice may be more attainable in the twenty-first century than it was in the twentieth, but it is unlikely of rapid achievement within the immediate decades which loom ahead of us at this time.

The natural environment in which the human has survived throughout the ages is now polluted, in some instances almost to a point of no return. Human persons numbering millions are suffering from lack of sustenance and

millions are surviving in a state of gross malnutrition. These situations have been exacerbated and brought to a point of crisis by virtue of continued large-scale human reproduction in a world where science has provided the means for survival. And it cannot be stated too frequently, human reproduction, unplanned and uncontrolled, is most common where the status of women is most depressed.

It is not easy to convey to a Canadian audience, living as we do in this land of relative affluence and enlightenment, the lowly status of hundreds of millions of women who are living not only in conditions of starvation suffered equally by their menfolk and their offspring, but in conditions of virtual serfdom and slavery. It is difficult to persuade the so-called enlightened nations such as we believe ourselves to be, that there are still places on this earth where women are mere beasts of burden. It is difficult to convince a literate people such as ours that almost two-thirds (468 million) of the total (784 million in 1970) illiterate population of this world are women.

It is hard to explain in a land like ours where the term equal status for women means equal rights before the law and equal opportunity in employment, that equality of status in these terms is virtually incomprehensible in vast stretches of this globe where women are viewed not as human persons but merely as instruments for the fulfilment of man's destiny through reproduction. Frequently, ironic though it may seem, the status of women is lowest in those very countries whose peoples have suffered discrimination and oppression because of race. It is as though the victim of one man's arrow were seeking some comfort by providing for himself a target for his own arrow, as though he too needed to have a victim of his own. For these countries are, of course, the countries still plagued by poverty, hunger and even starvation.

It is in these parts of the world that the women view themselves as having one primary function in life: motherhood. Although women in some developing countries make up a very considerable portion of the labour force particularly in agriculture, motherhood is still considered there to be women's primary

mission. And for so long as women accept this destiny to the complete exclusion of any other, then women will continue to produce large numbers of offspring.

What relevance does this have for a country like Canada? Here population growth is at or below the zero level; uncontrolled human reproduction poses no threat in this vast land. Food is abundantly available, although we do know something of malnutrition in some areas. While Canada is beginning to know industrial pollution, the comparative extent to which human population in Canada has affected the environment adversely is relatively small. Women in our land enjoy a status which is relatively high, though still seeking social justice through legislative reform and a change in outdated attitudes. Why then are we involved in International Women's Year?

We are involved for the same reason that we are involved in all forms of international development: we live in a world which now more than ever before in the history of mankind is one indivisible entity. We are involved not only because our traditions and beliefs dictate that we be concerned with others, but as a matter of practical self-interest. A polluted atmosphere does not stop at the Canadian border. The voices of crying millions cannot

be stilled as they float across the unobstructed air-waves of the world. And the fact of our affluence cannot be hidden from the wretched poverty-plagued starving millions in these days of immediate and visible communication. The threat which flows from poverty and the threat which flows from injustice in one corner of this earth is, as never before, a threat to us all.

Similarly if the lot of women is lowly in one part of the world; if women in vast areas of the world are illiterate and unlearned; if women in some parts of the world through their ignorance of alternatives continue to reproduce without knowledge of the consequences, then it is not just the women of this land who are thereby affected; it is all of us.

On moral grounds Canada bears a heavy burden of responsibility for others, a burden which little by little we are only now beginning to assume. We inhabit one of the richest and most luxurious areas of this globe. It is not through the sweat of our brow that we have available to us such a broad natural resource base. Although we may be developing and exploiting these resources, we had no hand in the making of them. But because of them, Canada is in a position to provide

assistance and leadership in the field of development. We also assume, perhaps incorrectly, that our contribution to leadership is particularly acceptable to the Third World by virtue of our history as a non-colonial power. But we ourselves must first recognize that development cannot be achieved if one-half of the population of the Third World, the population of women, is ignored in the design and implementation of general development projects.

At the World Population Conference it was conceded that the promotion of the status of women was an integral factor in the development process; and that socio-economic development would inevitably be curtailed without the active participation of women in all fields. Countries were asked to take the necessary steps to eliminate social practices which have the effect of discriminating on grounds of sex. In a resolution adopted by the conference, the United Nations and specialized agencies were asked to give special consideration to the impact of development efforts and programs on the improvement of the status of women.

One of the principles set out in a resolution adopted by the General Assembly of the United Nations five years ago in connection with the adoption of the International Development Strategy for the Second United Nations Development Decade, was the attainment of full

integration of women in the total development effort. This principle was reiterated subsequently in the General Assembly resolutions which proclaimed that International Women's Year should, among other things, be devoted to ensuring the full integration of women in development.

The United Nations Conference of the International Women's Year had as its objective three primary areas of interest, one of which was development. In a resolution adopted by that Conference it was recommended that the governments of all member states of the United Nations and organizations engaged in development programs, adopt a number of principles relating to the status of women. These included the recommendation that member states give sustained attention to initiatives which integrate women in the development process; that member states incorporate in their development plans and program documents, a specific statement as to how such plans and programs will affect women both as participants and as beneficiaries.

As recently as the middle of this month, November 1975, the General Assembly of the United Nations has before it a significant resolution endorsing the action proposed by the Mexico Conference. The Assembly resolution states that it is:

"convinced also that improvements in the situation of women ... are essential to the needs of development and to the solution of crucial world economic and social problems, as well as for reasons of equity, justice and fundamental human rights."

The resolution urges the financial cooperation institutions, including those providing bilateral funding:

"to accord high priority in their development assistance to projects that would promote the integration of women in the development and achievement of equality."

Clearly the international community has consistently been placing considerable emphasis on the interrelationship of the status of women and crucial world economic and social problems; in consequence emphasis has consistently been placed on the vital importance of incorporating in development programs the ingredient of women's concerns. These concerns, as enunciated internationally, hopefully were to be reflected at the level of national policy-making as well as incorporated in the national development programs.

Hitherto governments and international assistance programs had been designed with little consideration for the fact that, particularly in the Third World, women are producers. For example, in sub-Saharan Africa, women provide

as much as 80% of the labour necessary for food production. But training, improved seeds and machines go most often to men. Women of the Third World spend between four to six hours daily grinding corn and fetching water. Yet projects designed to develop the means of reducing these burdens get little attention from the governments of both worlds: the ingredient of women's concerns has been absent.

In conformity with the principles which have been formulated with regard to the need to integrate women into development, a number of industrial countries either through statute or through administrative means, have incorporated appropriate elements in their own national programs. For example, the United States of America amended its Foreign Assistance legislation in such a way as to require that bilateral assistance programs:

"... be administered so as to give particular attention to those programs, projects and activities which tend to integrate women into the national economies of foreign countries, thus improving their status and assisting the total development effort." (Percy Amendment to the U.S. Foreign Assistance Act of 1973.)

At the same time, they ensured that some

senior policy-making posts should be filled by competent women, so as to add credibility to this policy.

Admittedly, steps which have been taken by other developed countries in this regard may not yet be as meaningful in practice as they appear to be in theory. But they prompt the question as to what steps are being taken in Canada by those charged with the administration of our aid programs. The volume of economic aid which Canada has been allocating to developing countries has been growing very considerably, particularly in the last few years, putting this country close behind those which have already attained the target set for the developed nations by the United Nations. The actual amount of our assistance is fast approaching the billion dollar mark. It is a record of which we need not be ashamed; it is however a record with which we should not be unduly satisfied in the light of world needs.

In spite of the growing magnitude of the Canadian program, it is apparent that Canadian funds have not hitherto been allocated for projects which would have the effect of integrating women in development in a way which has been stressed so much during the last few

years in the international forum. In fact, the first major policy statement on this subject was made by the head of the Canadian delegation at the United Nations Conference of the International Women's Year only a few months ago. She informed the conference that:

"The Canadian International Development Agency which administers Canada's foreign aid program, has recently endorsed a principle of full integration and equality of women in development programs. In particular special programs designed to improve the condition of women in developing countries will be accorded a high priority in future Canadian CIDA programs."

This new policy would be more or less in conformity with the general principles which have been formulated internationally except that the principle of full integration of women should be a part of all social and economic development programs; special programs may be indicated in only some circumstances. The new Canadian policy is a most welcome one, belated though it may be.

It would be equally welcome to hear from CIDA that it was also adopting a new policy within the Agency itself with regard to the employment of women in decision-making positions. At the United Nations Conference of

the International Women's Year, member states were asked to ensure that women participate on an equitable basis with men on all levels of decision-making that govern the planning and implementation of development programs. At the present time in CIDA there is a dearth of women officers in the senior executive ranks. In fact, there is only a handful of women in medium-level management positions, the vast majority being employed below the rank of those responsible for the design and the implementation of policy.

If Canada's stance in the role of leadership is to be taken seriously, then it is not sufficient for our country to be seen merely as a donor of dollars. We must be capable of providing an image so that we may be able to exert some moral persuasion. In other words, we must practice what we preach; and what we preach presumably is a society in which social justice prevails, a society in which women share with men responsibilities at all levels. CIDA might well look to itself and adopt an enlightened employment policy within the Agency insofar as its women officers are concerned. There is no lack of capable women with the necessary competence to take their place along with their male

colleagues in the ranks of the senior decision-makers and policy formulators.

CIDA might also be well advised to examine the possibility of increasing the number of women appointed as field representatives who are posted abroad. It is in such positions that enlightened influence may be brought to bear, particularly in countries where the status of women leaves so much to be desired.

As a respected member of the international community, Canada must as a minimum adhere to principles adopted internationally. At best Canada could be in the forefront providing the necessary leadership, particularly in connection with the improvement of the status of women. For Canada, even among the industrial countries at this time, supports a policy which is generally considered to be enlightened in this regard.

The status of women in Canadian society is merely a measure of the status of all of our people. But the status of women in the total society of this our single world, may well be a measure of the status of human life itself on this earth. For if it is the status of women which affects the size of populations; if it

is true that where the status of women is low uncontrolled population growth is rampant, then the key to our future may well lie in raising that status. International Women's Year merely draws attention to this facet of the crucial problems facing our world. They are not problems for women alone to solve any more than they are problems for men alone to solve. They are problems for all of us to solve, together.

The world's business is Canada's business; and Canada's business is that of all our people, men and women alike. International Women's Year has been my business. It should also be yours.

INFORMATION

NOTES FOR AN ADDRESS BY

T.M. EBERLEE

DEPUTY MINISTER

LABOUR CANADA

TO THE

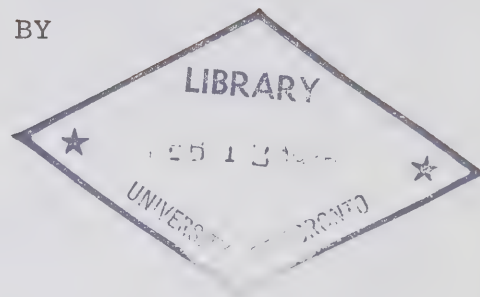
LABOUR-MANAGEMENT CONFERENCE

HOLIDAY INN

BRANTFORD, ONTARIO

FEBRUARY 5, 1976

12:00 NOON EST



How does one take "A Realistic Approach to Industrial Relations" - the theme of today's conference - when the world of labour affairs has suddenly become more complex than was ever the case before?

Realism demands that one acknowledge the special impact of current government policies and programs upon collective bargaining. We are all aware of the unusual stresses placed upon industrial relations by the anti-inflation program.

I do not believe, though, that this particular reality takes away from the relevance of a conference devoted to finding ways and means of improving industrial relations. After all, collective bargaining is still functioning even if it is doing so within the framework of the control program. The game has been changed somewhat, but it's still fundamentally the same - and it is still bedevilled by the same problems.

Whatever else the anti-inflation program is doing, it has not affected or altered the bad old adversarial system - the conflict and the confrontation - under which we have been operating for far too many years. But it has underlined the absolute necessity of coming to grips with our difficulties now so that we can make a successful and graceful exit from

the control program at the appropriate time.

This morning's panel discussions and workshops have urged upon us the increasing need for labour and management to reconsider - to de-emphasize - what we have been calling the adversary system so as to improve not only our industrial relations, but our social and economic relationships in general.

Changes in international economics, in the development and distribution of our own resources, in production techniques, and in our socio-political relationships - all these have a profound impact upon our collective bargaining system.

Public opinion these days doesn't seem to have much patience with our collective bargaining system. (I use the word "our" because in spite of some contrary expressions of opinion, I consider that government, as the trustee of the public interest, is as much a part of the collective bargaining system as labour and management.) Public opinion may well be justified in its viewpoint - and we are foolish if we ignore it.

I am sure that on careful reflection, Canadians in general would not want to give up a system through which people have the right and the power to determine, by means of bargaining, what will be the terms and conditions under which they work. Such a system is fundamental to a free and open economy and

society. The best possible outcome for all of us will be the early joint development and implementation of improvements in the system - improvements that will make it more efficient and effective - less destructive of the interests of the parties and of the public.

We in Labour Canada are working to put ourselves in a position to contribute. We have been reassessing our role in labour affairs. Rather than a Department carrying the banner for any one interest, we now see ourselves as a catalyst in the search for answers to issues that affect the rights, interests and requirements of all groups in labour affairs. Thus, the over-all concern of our Department is the well-being of individuals, groups and institutions responsible for or associated with work, with particular reference to:

- 1) the rights of parties involved in the world of work;
- 2) a working environment conducive to physical and social well-being;
- 3) fair returns for work effort; and in all cases, ensuring equitable access to employment opportunities.

Taken together, this goal statement represents a fairly tall order; and my own Department must, firstly, ensure that it is adaptable, flexible, responsive and sensitive to

the issues of the day. A start has already been made and I believe we are well on our way to creating this kind of Department.

To demonstrate our new "catalytic role" in labour affairs and to help us to work more closely together, we have created the Canada Labour Relations Council, a tripartite body composed of union, management and government representatives. This Council shows promise of making progress in developing more rational and constructive approaches in the complex field of labour-management relations. Discussion at the several meetings held thus far indicates a willingness on the part of all concerned to face and come to grips with the pressing problems that affect our nation as a whole - and to do so maturely and co-operatively. I believe we shall soon see concrete results.

On another level -- but a complementary one -- the Department's Employment Relations Branch encourages labour and management to establish those processes or mechanisms through which continuous and constructive labour relationships can be developed at the local and regional levels. As I mentioned earlier, there is a growing consensus among governments, the public, labour and management that collective bargaining must be reconsidered in a more cooperative framework that would permit the parties to work together toward fulfilling mutual

needs and aspirations; cooperative rather than combative relationships would be the message.

The creation of local labour-management committees is but one approach. Whatever other avenues are explored, we believe that people at work should be consulted and should participate, or at least be represented, in the decisions that affect their jobs and working environment. The group here today is, I am sure, well aware of the increasing emphasis being given to industrial democracy.

"Job enlargement", for example, increases the number of operations and tasks performed; "job enrichment" may involve redesigning jobs to enable workers to undertake tasks previously performed by their superiors; and the creation of partly autonomous work groups permits workers to take over functions previously performed by supervisors and a variety of staff personnel. Experience so far has indicated that if employee participation in management is to produce better labour-management relations, it must be in a form which permits employees to share directly in the managerial functions of their particular jobs and work situations.

Whatever avenues are explored to achieve better labour relations in the months to come, they will obviously have to be responsive to the Canadian institutional framework and be

supported by labour, management, governments and the public. Yet much room for reform does exist within this context. If the country is to improve its labour relations, and it has to, the responsible parties must not only improve their attitudes and working relationships, they must act with more constructive innovation and foresight than ever before.

In this particular vein, I believe that the Steering Committee which organized this Conference has acted with real vigour and imagination and I commend the organizers. Yet at the same time I also believe it would be a pity, and a waste of talent and potential-for-good, if this group were now to be disbanded.

Why, indeed, should this be a one-shot group? With all its experience and expertise, and its unique knowledge of both the local and national scenes, what a waste if this Steering Committee simply disappears. With all respect, I would venture to make the suggestion that the Steering Committee consider the real desirability of meeting on a regular basis; perhaps as an advisory body to the Brantford area community on labour relations matters?

In this context, some of you may be familiar with an area community labour-management committee established in Jamestown, New York, some 50 miles south of Buffalo and not so very far from here. Five years ago a major company closed

down its operations there and the resulting loss of 700 jobs prompted the mayor of Jamestown to give a lot of thought to industrial relations in general and to the idea of an area Labour-Management Committee in particular.

For several years preceding this experiment, industrial relations in his community of some 50,000 had been marked by labour unrest and economic hardship. Unemployment was nearly 10 per cent, companies were fleeing, jobs were vanishing and there were long and bitter strikes.

Refusing to watch his community disintegrate, the mayor met with executives of some 15 local industries and with union representatives.

Shortly after, a Jamestown area Labour-Management Committee was formed. Composed of four industrial executives, four union leaders, the Executive Vice President of the Manufacturers Association and a representative of the AFL-CIO Central Labour Council, the Executive Committee established four main goals:

- improved labour relations
- manpower development
- assistance to industrial development programs, and
- productivity gains in existing industries.

Within three years, the Committee could claim it had made a major contribution to the following impressive achievements:

- Labour agreements covering most of the major industries in the area were completed with only five minor strikes involving the loss of just 41 man-days;
- Two major contracts were settled before they expired;
- Unemployment was slashed to four per cent;
- Several companies went from near-bankruptcy to profitability;
- The appearance of the Cummins Engine Company.

Considered one of the most progressive manufacturers in the world, the Cummins entry into Jamestown -- bringing with it a potential of 1,500 jobs -- marked the first time in more than 50 years that a new industry of major importance had joined Jamestown's existing manufacturing companies.

So here was a successful case of reaction to a crisis. But, albeit with hindsight, how much better to have avoided the crisis in the first place. I am not for a moment, of course, suggesting any sort of a parallel between Jamestown and Brantford. Nonetheless, we can benefit, in a learning way, from that experience. Which is why your own Steering Committee could indeed serve as the basis of a continuing Labour-Management Committee.

Such a body could draw on the services of various Government Departments, agencies and other organizations with expertise in many areas of labour affairs.

I need not remind you that my own officers who have helped organize this Conference (Messrs. Léon Gagnon, Tom McAulay, Elmer Renaud, Phil Carberry and Ray Marchand) are ready to assist you as I know are officers of the Ontario public service. The Ontario Department of Labour has, as some of you may know, recently established an Advisory Service on labour utilization problems. Your local Canada Manpower Services are always prepared to help solve employment problems. These and similar services are available to you on a regular and continuing basis.

In short, your Steering Committee, expanded into a more permanent body to tackle area labour problems as they arise, could well be of major benefit to your community.

In the meanwhile, I hope this second half of your Conference proves as successful as this morning's sessions.

INFORMATION

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS

BY THE

HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

TO THE

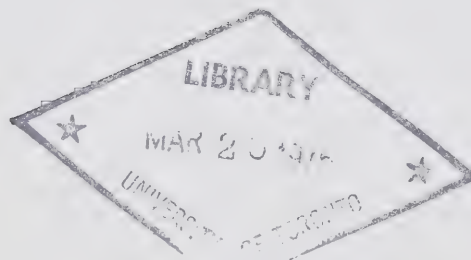
BRITISH COLUMBIA AND YUKON CONFERENCE

OF

THE UNITED STEELWORKERS OF AMERICA

WHITEHORSE, Y.T.

MARCH 19, 1976



I want to thank the organizers of this conference for inviting me here today. As Minister of Labour I have the occasion to visit many parts of Canada in the course of a year, and it's always a pleasure to accept an invitation from an organization, such as yours, which justly deserves its reputation for service to its membership.

The United Steelworkers of America has been in the forefront of the labour movement's efforts in Canada and the United States to organize the unorganized, and you are continuing to bring the benefits of union organization to thousands of new members in your jurisdiction each year.

The Steelworkers, along with other unions, particularly the bigger international unions, has negotiated benefits at the bargaining table which have set the pattern for others. Your union was drafting health care plans years before medicare was established as public policy. Your bargaining committees hammered out some of the first non-contributory pension plans. You recognized the need for cost of living protection

for your members and you negotiated some of the first COLA clauses. Your local unions in the mining industry bargained the first extended vacation plans.

In recent years the Steelworkers has broken fresh ground in establishing the first union-run dental clinic, right here in the Yukon Territory at Faro. Local 1051 and District 6, along with Anvil Mining Corporation which is co-operating in the clinic, should be justly proud of that achievement. At Sault Ste. Marie, Ontario, your union started the first union-run community health clinic. At Sudbury, Ontario, your union has chalked up another first -- a union-sponsored legal advice clinic as a service to your 20,000 members in the area. Another innovation was the sponsoring, a couple of years ago, of the Steelworkers' mobile education department -- a classroom on wheels.

In the field of occupational health, the Steelworkers has been successful in making the public aware of job-related hazards, including the danger of radiation in uranium mines. Your local unions at Elliott Lake recently negotiated the first labour

agreement to establish the "super seniority" clause. This is a clause which gives workers who have been exposed to health hazards the opportunity to move to the head of the line and take a job on the surface.

These kinds of innovations and initiatives are in the best traditions of the trade union movement.

Delegates, this conference is being held at a time when the labour movement is raising the alarm over the future of collective bargaining in this country. One senior trade union spokesman recently said, in all sincerity, that the federal government "has openly declared war on the trade union movement by imposing wage controls on all working people". Another senior labour spokesman said the other day the government was "attempting to make scapegoats" of the working people in Canada in the fight against inflation. Still another statement condemns the anti-inflation program as "a grave threat to free collective bargaining in Canada".

I would be the first to agree with these, or any other labour spokesman, who insist that a threat to

collective bargaining is a threat to an essential freedom in Canada. I do understand the reasons why the labour movement has opposed the program, and continues to oppose it. I appreciate your apprehension -- which I accept as an honest and deeply felt concern -- toward any action, by government or otherwise, which seems to infringe upon your right to bargain with your employers for fair and just compensation and working conditions. And I understand that any action which sets arbitrary parameters within which collective bargaining may take place -- as the anti-inflation program certainly does -- will be seen by many trade unionists as an action which undermines the role of trade unions themselves.

But I say you are being pessimistic in all of this. The situation is not as grave as some have painted it.

It's now five months since the anti-inflation program was announced by the Prime Minister, and three months since the anti-inflation act received Parliamentary approval and Royal Assent. The record of those five months provides ample evidence that there is no

justification to any claim that collective bargaining as an institution is under attack or, as the extreme view would have us believe, that collective bargaining is effectively dead in Canada.

Collective bargaining continues. Collective agreements are being concluded every day. Most of the agreements are being reached as usual by the parties themselves, without any assistance from government conciliators or mediators.

The conciliation process continues. The guidelines, as new "rules of the game", have introduced an element of uncertainty as to the final outcome of bargaining. But they are not proving to be the death warrant, a kind of midnight executioner, for collective bargaining.

The record of five months clearly demonstrates that a great many trade unions are being realistic about the existence of the guidelines. They are, for the most part, bargaining within the spirit of the guidelines. And when the Anti-Inflation Board determines that a particular settlement is excessive, the trade union

membership is again, for the most part, accepting the rulings, however reluctantly.

Trade union demands have been voluntarily modified. Admittedly, it's rough justice, but I personally believe the Anti-Inflation Board has endeavoured to deal reasonably with settlements that have gone over the guidelines. In 26 of the 36 collective agreements reviewed by the Board in the first four months, the board allowed an average increase of 16.2 per cent. This has been the board's approach in the transitional period we have just passed through. When you consider that the current rate of inflation is about 9 per cent, and it could well drop to 8 or 7 per cent on an annual basis this year, organized labour is faring fairly well in a time of economic restraint.

Canadians living in the North, as you do, understand more about the high cost of living than most other Canadians do. You have had to pay a price to live in the North. You have always lived with higher prices for food, clothing, shelter, gasoline and other

essentials. To compensate, you have been accustomed to receiving higher wages and salaries than are paid in other regions of Canada. But as you are well aware, higher wages can also be eroded by inflation. Some of you were born in the North, but I suspect that most of you have come here because you like the life and the opportunities which the North provides. But the one thing you don't want is to have the stake which you are building for yourselves and your families to be wiped out by inflation.

There are two or three aspects of the anti-inflation program which should be kept in mind.

First, the guideline program is a restraint program. It is not a freeze. Prices of goods and services are not frozen. Wages and salaries are not frozen.

On the price side, the guidelines impose a cost past-through system on firms that are able to allocate costs to individual products. Other firms are subject to the "net profit margins" rule. To meet rising costs, firms will have to raise their prices.

But these price increases are subject to the guidelines. Firms are not required to price their goods and services in a way that would result in a loss. The anti-inflation board has the discretion to distinguish between usual and unusual productivity gains; and it can make allowances for "favorable cost developments" which could not be anticipated. In carrying out its mandate in monitoring prices, the board is trying to take a middle course between the rigid and the flexible.

The same applies to wages and salaries. The guidelines provide that wages can be increased on the basis of a formula which includes protection against anticipated inflation; it includes a share in the increase in national productivity; and it includes an adjustment to take care of catch-up where this is required. The guidelines have been applied in a flexible and liberal way in the early weeks in order to give special consideration to those bargaining units which were in negotiation at the time the program was announced. There continues to be a degree of flexibility to take into account the historical relationships which

have existed between employee group and industries.

It was only natural that every union coming into a bargaining situation since the guidelines were imposed would be tempted to claim a historical relationship or a special consideration. On the other hand, there was the real danger that if the guidelines were not applied with a certain degree of rigour, the whole program would have collapsed under its own weight. The board had to take into account the danger that a claim for special consideration by one group would result in a series of claims by others for special treatment, with no end to the process in sight.

So it is very unfair, as well as inaccurate, for some critics of the program to continue to take the position that the guidelines program represents a wage and salary freeze. The thousands of employees and members of trade unions who have successfully negotiated satisfactory wage and salary increases, and who are at least keeping up with inflation, provide ample evidence that this is not the case.

The second aspect of the program which should be kept in mind is that this is a temporary program. If it's any consolation, as a Government, we don't like controls. We went into the program reluctantly. We want to get to the post controls economy as soon as possible. We have no great confidence in the ability of an economy in a democracy to operate under mandatory controls for any extended period of time.

And thirdly, the guidelines are intended to deflate the inflationary expectations of Canadians, and thereby to slow down inflationary pressures gradually over a two or three year period. They are not intended to be a substitute for other economic, fiscal and monetary policies. The aim is to curb inflation without damaging the national economic effort and to make sure that the burden of fighting inflation is shared equally among employers, workers, consumers, and governments.

The campaign which the labour movement is waging against the anti-inflation program is based on its conviction that the program is anti-labour, that the Government is blaming labour for being the culprit

in getting us into the inflationary situation we are in. This is not true. This is not the Government's position.

The Prime Minister made it perfectly clear last October 13 that the Government is not pointing its finger at any sector of Canadian society. There has been no search for scapegoats. The Prime Minister said,

The basic cause of inflation in Canada is the attempt by too many people and too many groups to increase their money incomes at rates faster than the increase in the nation's wealth.

He went on to say,

All over the world, people are caught in the grip of what some have called the revolution of rising expectations. We have come to expect that there is some magic by which we can have cheap and plentiful food, energy, housing and government services, together with an ever improving standard of living. We expect this as a matter of right, regardless of how successful or unsuccessful we are in increasing our production of goods and services. (end of quote)

I have consistently argued -- months before the guidelines program -- that wages were not the cause of inflation. I've said that demands for wage and salary increases were a response to rising prices. Workers locked into two- or three-year collective agreements were trying to catch up with inflation. But some wage settlements, and some price increases, were excesssively **high** before the program came into effect.

The success of the anti-inflation program depends on the degree of understanding and support it receives from the great majority of Canadians. It cannot be made to succeed by sending out an army of bureaucrats and inspectors whose job it would be to force the restraints down the throat of unwilling Canadians. Its effectiveness depends critically on voluntary compliance of all sectors of the economy, in addition to the mandatory compliance by those required to do so under the law.

It is obvious that the understanding and support of the labour movement will continue to be a

crucial factor in determining how well we control inflation and how soon we can get to the post controls.

There is a considerable degree of irony in the opposition which labour is directing toward the program. I say this for two reasons. First, labour perhaps more than any other sector of society, would have so much to lose if inflation were allowed to run rampant. And second, the leadership of the labour movement was in agreement with the government a year ago that the inflationary situation was a matter of grave national concern.

You will recall that nine or ten months before the Prime Minister announced the establishment of the mandatory restraint program, the government initiated a consensus exercise with business, the professional community, and labour. Members of Cabinet, including myself, met with leadership and leading representatives of the sectors in a series of meetings from January to March 1975. In this period, which we referred to as Phase I of the Consensus Exercise, we tried to assess the degree of concern

about inflation among the major sectors of society. We wanted to evaluate what policies and programs we, as a government, should put forward to deal with inflation. And we wanted to come to some conclusion as to the willingness of the various sectors to co-operate in a national effort to achieve a greater degree of economic stability. Phase I was strictly exploratory. We were not seeking any commitments, nor did we receive any.

It is worth recalling the extent of the consultation. Ministers met with executive officers of the Canadian Labour Congress, with Teamsters, with the Central des syndicats démocratiques, with the Confederation of National Trade Unions, with the Advisory Board of the Building Trades, with the Ontario Construction Industry Review Panel. Ministers also met with business, industry and professional representatives.

Phase I was followed by Phase II of the Consensus Exercise. The Government was sufficiently encouraged by the response from Phase I to continue

the consultations. In all groups there was the feeling that serious problems existed as a result of inflation and something must be done. There appeared to be a recognition that inflation and recession are inter-connected and action be taken to cover both. Even with the unacceptably high level of unemployment that prevailed, the feeling in the various groups was that inflation was the problem that should be tackled first. Everybody was trying to take too much out of the system and must pull back.

Unlike Phase I, Phase II contained specific proposals with respect to restraint of prices and wages. On prices, it was proposed that as a general rule business firms would limit price increases to an amount which would be sufficient to cover their increased costs. Professional fees would be limited to amounts which would maintain real incomes. Any increases in rent would be restricted to an amount which would represent a reasonable rate of return on investment. The essential feature of the wage proposal was that a percentage target rate of increase would

established. Those who were engaged in the determination of wages and salaries -- by collective bargaining, or otherwise -- would be asked to base their settlements on that target. Protection would be provided in cases where the consumer price index exceeded the target, and a measure of catch-up would be permitted.

Meetings were held between Ministers and the labour movement in April and May of last year to discuss some of these proposals. At the April meeting, in Ottawa, the CLC expressed a willingness to serve on a joint task force to review the proposals. A number of meetings at the technical level were held. Before the May meeting, held in Toronto, the wage and price proposals were leaked to the press. The Government was unhappy about the leak, so was the labour leadership. There was immediately a hardening of positions against the proposals on the part of some of the CLC affiliates. The Congress came forward with an alternative program, which has since been referred to as the CLC ten point program. The CLC indicated that further discussion of the government's

voluntary restraint program would be acceptable only if the Government would consider the ten points first. Ministers interpreted this change of direction as meaning that any hope of labour joining a voluntary program of restraint was dead.

The guidelines program was subsequently announced by the Prime Minister in October. Since that time, ministerial meetings have been held with the Canadian Labour Congress to explain the program and to enlist labour's participation on four occasions. I have also responded to the CLC position that the Government should deal with the ten-point program. I pointed out that the Government has already dealt in a satisfactory way with most of the points, that others would add to inflation if they were implemented at this time, and that we must get inflation under control before we go further.

I think it's important to recall these events for two reasons. First, the government has followed a course of consulting with labour (as well as other important groups in the community) in

developing **new** economic and social policy. It has been the government's position that if we want labour to take responsible positions, then we must consult with labour at the time important national policies are being drafted. The government would have preferred the voluntary approach to restraint, but unfortunately this proved to be an impossible goal. Business wouldn't agree. The professions wouldn't agree. Labour -- and I have considerable respect for their reservations -- did not want controls of any kind, and did not have confidence in the ability or inclination of other elements in the community to restrain their demands on the economy. Since the problem of inflation remained, the Government determined that a mandatory restraint program was needed. The Government takes the responsibility for that decision.

The second point I want to make is that the Government has continued its consultation with labour, even though the CLC and other central bodies continue to oppose the guidelines programs.

Labour's position on the guidelines was negative from the outset. Various trade union spokesmen condemned the policy in all its aspects. They said the program should be withdrawn. If the Government went ahead despite their protest, they had to fight it. They said they would bargain with employers as though the guidelines did not exist.

In taking this negative approach, the labour movement climbed out on a limb. I have a high regard for the Canadian Labour Congress. I have a high regard for Joe Morris and all that he has contributed to this country. But in this case, I think labour has hurt its own interest.

When the law establishing the program was enacted by Parliament, when it was obvious that the program was going ahead, I think labour should have come forward and accepted the fact, however reluctantly. They could have given the programme a chance and still preserved their option for outright rejection further down the road -- if the programme, after given a reasonable trial, proved to be unfair. They could

have responded to the Government's invitation to come up with needed improvements before the bill became law. They could have come up with suggestions on how to make the regulations fair to labour. They could have told us how to make the program equitable as between prices and wages. The CLC did not do this. They have said you can't very well ask for amendments to a law when you take the position the law doesn't exist. This might be a good debating technique, but it doesn't coincide with labour's traditional pragmatic approach.

Right from the start of the program, the Government invited the labour movement to nominate candidates to the Anti-Inflation Board. The response was predictable, but I think unfortunate. The labour movement said it was not stopping anybody from taking a place on the board. It was not telling anybody to refuse an invitation. Invitations went out to qualified trade union representatives who would have ensured that labour's voice was being heard. To this day, there is no labour spokesman on the board. In view of the importance of the board's decisions, I would think the labour movement would insist that it be

represented there.

Finally, there is the question of labour's continuing representation on national boards, commissions and councils. Two weeks ago, the Canadian Labour Congress announced that it was "reviewing" its position. It said it will have to examine the whole matter of representation and whether labour will continue to consult with Government on economic and social policy. A final decision is to be made by the CLC Executive Council next week.

The Government values labour's participation on boards such as the Unemployment Insurance Advisory Committee, the Manpower Consultative Committees, the Economic Council of Canada, the recently established Canada Labour Relations Council, and many others. The Government wants more consultation with labour, not less. As far as I am concerned, labour withdrawal from some of these boards would mean they could not function. But withdrawal would hurt labour as much as government, in view of the fact it has taken labour many decades to get to the point it has now reached as a participant.

On the Anti-Inflation program, there is still an opportunity for the labour movement to come forward and make representations to the Government. On other social and economic matters, the Government is also keeping the channels of communications open. The government is willing to listen, the government is waiting to hear constructive suggestions. The invitations to the labour movement is renewed. I would hope that the leadership of the movement will respond in an appropriate fashion.

CA 16
-S77

INFORMATION

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.,

MINISTER OF LABOUR

AND

MEMBER OF PARLIAMENT FOR HAMILTON EAST

TO

MOHAWK COLLEGE OF ARTS AND APPLIED TECHNOLOGY

HAMILTON, ONTARIO

APRIL 2, 1976.

2:00 P.M. EST

I want to thank the students and faculty of Mohawk College for inviting me here today. This institution has won an enviable reputation for itself not only in the greater Hamilton region but far beyond. I congratulate you for the contribution you are making to your own job skills and to the advancement of the community.

In the time which you have placed at my disposal, I would like to speak about a problem which affects all of us. Nearly six months have passed since the federal government introduced wage and price guidelines as one of its major measures in the fight against inflation. I think it's important to assess where we stand now. How well is the program working? Do results so far indicate the program deserves the strong support which the vast majority of Canadians gave it when it was introduced last October?

It's probably too early to assess the full impact of the guidelines with any precision. But it's not too early to detect some encouraging trends in prices and wages, which if continued through 1976, should bring the kinds of results the government intended and which all Canadians want.

When the guidelines were announced by the Prime Minister at Thanksgiving, the cost of food, clothing, shelter

and the other necessities of life was rising at the rate of nearly 11% a year. Faced with inflation of this magnitude, those on fixed and low incomes were having to do without some of the things they needed, or were going into debt. During the three months ending in February, the rate at which prices are increasing had slowed down to a rate of 9.1% a year.

It's difficult to attribute all of the slowing-down in price increases to the anti-inflation program. But with this improvement in the cost of living Canadians have even more reason to get behind the program than they had six months ago. The slowing down in the rate of inflation is a move in the right direction. With the support of the whole country, further improvements to our stated goal of an 8% inflation rate for 1976, 6% next year and 4% in 1978, is a realistic and, I think, an attainable goal.

I would like to add the cautionary note, however, that there are still price pressures in the system which have not worked their way through to the consumer level. We should not become too elated by any month's favourable figures, not too discouraged by a less favourable performance in another month. There is just not going to be any quick, easy victory over the forces of inflation.

We should also remember that the anti-inflation program is not a freeze. Prices of food, clothing, housing, rents and so on are not frozen. There will be increases in prices, but the increases will be subject to the guidelines and to the controls programs being introduced by the provinces. And wages are not frozen. Increases are allowed under the program to take into account increases in the cost of living, as well as a share of increasing productivity and for catching up where this is needed.

Although the anti-inflation program is nearly six months in operation, it is now clear that it suffers from a number of handicaps for which it cannot be blamed.

First, there are some prices in any inflationary situation which are not subject to control. We do not, for example, control the prices of basic industrial commodities which themselves influence the price of consumer goods. Commodity prices are determined in world markets. Canadians must pay the prices which are set outside our borders or go without.

One of the most significant commodities whose price is set outside Canada is oil. The price of oil has quadrupled in world markets since 1972. The impact of higher oil prices is being felt in almost every product we buy and in every part

of Canada, particularly in those provinces which depend on oil for all, or most, of their generation of electricity. The federal government has sheltered Canadians from the direct shock wave of world oil price increases by subsidizing imports and equalizing prices across the country. But there is a serious question of how long the taxpayers should support a program which is already costing half a billion dollars a year, and will be much more expensive next year.

The second handicap in the restraint program is that it can deal with the inflationary situation we are experiencing only on the basis of "rough justice." The program is run by human beings, and human beings make value judgments which may be right or wrong, or partly right and partly wrong. This is where the rough justice comes in.

The government is well aware that distortions can be introduced into an economic system by a controls program which forces wages and prices into predetermined patterns and relationships. The longer the program lasts, the more opportunities there are for new distortions. It's our intention to work our way out of inflation, and out of the controls program, within a three-year period ending in 1978. But in the meantime, distortions are inevitable.

The third handicap of the restraint program is that organized labour has totally rejected it and demanded that government withdraw it. In some other countries, organized labour has grumbled and demonstrated various forms of hostility towards control programs when they have been introduced, but has reluctantly gone along with a program on the grounds that it was better than facing the ravishes of inflation. It's well known that inflation hurts workers as much as, if not more than other people in society. Organized workers are bound to collective agreements which may extend for two or three years, and even the strongest unions have not always been able to negotiate increases or cost-of-living clauses which are sufficient to cover the higher cost of living. It goes without saying that unorganized workers and those on low and fixed incomes have been hit the hardest when inflation has raged out of control for long periods.

The decision to undertake a mandatory restraint program was taken only after a serious attempt to get agreement on voluntary restraints.

You will recall that a year ago public opinion polls showed Canadians identified inflation as the most serious national problem. At that time the government initiated the

consensus exercise in an attempt to reach agreement among labour, business, and the professional community on how we should deal with inflation. While there was unanimous agreement on the serious implications for Canadians in all walks of life if nothing was done to curb prices, we were unable to get voluntary agreement on how to bring prices down.

The options available to government in fighting inflation were limited. In addition to a voluntary restraint program, the government could have moved to a restrictive monetary policy. This would have cut back on the rate of inflation in short order, but it would have also resulted in intolerably higher levels of unemployment. Or the government could have resorted to a confiscatory fiscal policy. But this would have been counter-productive at a time when many Canadians believed that governments are already taking too large a share of national income. With the prospect of even higher inflationary rates, the only option that remained was a policy of mandatory wage and price controls.

The leadership of the labour movement has taken a strong stand in opposition to the guidelines. It is their democratic right to do so. They are hostile because controls restrict their freedom of action at the bargaining table. This is understandable.

I have always defended the right of collective bargaining. I've spoken out in favour of stronger trade unions and more organizing of the unorganized workers. I'm on the same wave length as the trade union leadership as far as the role of trade unions in our society is concerned. The unions fought for the right to bargain with their employers for many years before their rights were recognized. Their fight to extend the scope of collective bargaining into areas that are jealously defended by employers continued. So the government does recognize that the anti-inflation program has placed restrictions on collective bargaining. As the Prime Minister told the leadership of the Canadian Labour Congress last week, however, freedoms which workers enjoy under collective bargaining are not absolute, any more than employer rights under the free enterprise system are absolute.

For a temporary period, the anti-inflation program will continue to place a curb on the ability of a trade union to get all it can bargain for, and it will curb the ability of those who set prices to charge all the traffic will bear.

The labour movement has indicated there will be no backing down in its opposition to the guidelines. In its annual brief to Cabinet, presented last week, the CLC said

that the anti-inflation program is (quote) "devoid of any sympathy or understanding for the common man.....it is a policy which destroys the fundamental rights and freedoms of the vast majority of Canadians in the name of political expediency" (End of quote).

That's pretty strong stuff, but it's not at all factual.

It's not true that collective bargaining has been destroyed. Collective agreements are being negotiated; agreements are being completed every day.

It's not true that the anti-inflation program is devoid of sympathy and understanding of wage and salary earners. The guidelines allow for wage increases that will take into account the rise in the cost of living, a share of national productivity and an amount for catching up where particular groups of employees have fallen behind. In the transitional period which we have just passed through, the anti-inflation board allowed wage and salary increases that were somewhat in excess of the arithmetic guidelines. This was done in recognition of special consideration for workers coming out of long-term contracts and for those who could claim a historical relationship with others who had completed their new collective agreements before the program came into

effect. These actions by the board, and other decisions that have been made, certainly show sympathy and understanding for workers.

I take for granted that the labour movement is not going to change its mind and come out in support of the program. But it could help the rank and file by taking advantage of the government's invitation to nominate a top labour person to sit alongside Jean-Luc Pépin and Mrs. Beryl Plumptre and speak out any time it appeared the board was not being fair to wage earners. Labour can't do that with any degree of effectiveness or credibility from the sidelines.

The labour movement could also lend the board one, or several of its collective bargaining experts to assist in determining the compliance with the guidelines and the fairness or otherwise of any roll-back that is being considered. Such a move by the trade unions could not be seen as compromising its principles.

Those who have seen the workings of the anti-inflationary board from the inside have been impressed by the dedication of the staff to making the program work, and work fairly. But there is no doubt that the presence of more personnel with a labour background would help the program

work better. It's only natural that the staff of the A.I.B. compensation branch, coming as they do from the management and personnel administration areas of business and industry, tend to look on the administration of the compensation guidelines as largely an exercise in accounting, or merely the mechanics of pay administration. Interpretations of "special consideration" and "historical relationship" will be given a different emphasis by officials coming from a management background than an official who has come out of the labour movement. It is not too late to respond to the government's continuing efforts to recruit collective bargaining and fringe benefit experts who would bring a trade union point of view to the compensation branch of the Anti-Inflation Board. The door is still open, but every day that passes finds more collective agreements being ruled on without the benefit of a trade union opinion.

The fourth handicap of the controls program is the fact that the anti-inflation board has not been able to roll-back even one price increase, while it has cut back on many wage settlements. Some of the critics of the program point to that glaring fact as proof that the program is controlling only wages, but not prices and profits.

The fact that the Board has not rolled-back a price increase does not mean that it is going easy on prices. It

simply means that companies are observing the guidelines in their pricing decisions.

There are other people who recognize that prices are not frozen, but maintain that some prices exceed the guidelines and are not being rolled-back. For example, one might hear about a wage increase of 20 per cent which was disallowed by the Board because it exceeded the guidelines, while a price increase of 20 per cent was allowed. The explanation is that price guidelines have nothing to do with percentages. They are based on business costs and profit levels. Because cost of living increases are expressed in percentages, the government wanted to make sure that the wage guidelines did not prevent workers from keeping up with higher living costs. So the wage guidelines are also expressed in percentages.

The standard rule on pricing is called the "cost pass-through." This means that a company may raise a price only to the level necessary to recover the higher cost of producing the product or service it is selling. It may not increase the price in order to secure a higher profit. In those cases where the employer cannot figure out the cost of each item he sells, the guidelines restrict the employer's

profit for the year to 95 per cent of the average of the previous five years. What I am telling you is something you already know -- that **it** is much simpler to control wages and salaries than to control prices and profits. Some people would have you believe that because controlling prices is more difficult, prices will therefore be controlled less rigidly than wages. This is not the case.

Under the guidelines, workers are allowed to keep up with the cost of living, and get a little more for productivity and for catch up. The employer is allowed to keep up with the cost of production, and get nothing more. Some companies will actually have to reduce their profits, but no worker will be required to accept a reduced income.

In conclusion, I would like to return to the question which I asked earlier, whether the controls program appears to be working. I have already mentioned that the rate of inflation has improved since last October. And there are other signs.

The Anti-Inflation Board has issued rulings which require companies to roll-back planned dividend payments to more acceptable levels. Rent control legislation has been introduced by several of the provinces. Amendments have

been introduced which facilitate the right of appeal against positions taken by the board.

All Canadians have a stake in controlling inflation. We can only do this job if we work together. As Minister of Labour I am particularly concerned about the attitudes of workers, both organized and unorganized. The door is open to labour to take a place on the Anti-Inflation Board, and to nominate the technicians to the compensation branch who would make sure that labour's voice is heard.

I believe that the majority of workers in Canada are going along with the program, reluctantly in many cases, because of their over-riding concern for job security. Job security depends, to a considerable degree, on how competitive we remain in our export as well as our domestic markets. We can't remain competitive if inflation were allowed to run uncontrolled, while our competitors were doing a better job in containing their price increases.

ALL
-S77

INFORMATION

CHECK AGAINST DELIVER

Government
Publication

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

AND

MEMBER OF PARLIAMENT FOR HAMILTON EAST

TO

THE HAMILTON JAYCEES

HAMILTON, ONTARIO

MAY 17, 1976

7:00 P.M. EDT.



In your invitation to speak to this Employers' Night, it was suggested that I address myself to one of the basic propositions of the Hamilton Jaycees. According to the creed of your organization, you "believe that economic justice can best be won by free men through free enterprise."

The question of how Canadians can best pursue and uphold economic justice is one of the great issues of the day. It was the subject of the Prime Minister's controversial statements of last Thanksgiving Day and early January. Of course, it isn't the only goal of a democratic society. We also value political freedom, the rule of law, social justice and human rights. All of these freedoms are cherished, and together they constitute the framework and foundation of our society. So when we talk about economic justice, I think we should do so in the context of the interdependence of all our traditional values.

The question of how we can achieve economic justice is also the subject matter of "Labour's Manifesto for Canada", announced today by the Canadian Labour Congress at Quebec City. The CLC says that economic justice can be only achieved through national, social and economic planning. It says labour will co-operate with business and Government only if business and Government will share their power with labour.

The CLC program includes recognition of "a right to employment for a living wage," "the need to create jobs as the first economic priority," "a commitment to redress this country's unacceptable record in distribution of income," and an arrangement whereby the power of corporations to set prices is constrained to match the constraint which is imposed on wages through collective bargaining.

Many of the objectives which the labour movement is now formulating are related to the kinds of problems which government, business and labour have been discussing in the Canada Labour Relations Council. It's quite obvious that some of labour's

goals may coincide with those of business and other sectors of our society. Any which involve drastic change should be put to the process of consultation so that a national consensus may be reached. It is my view that labour is asking business, and government as representative of the public interest, to continue the consultation process which we had undertaken through the Canada Labour Relations Council.

I hope that the delegates to the CLC convention this week will vote overwhelmingly to give their approval for the establishment of whatever structures labour needs to allow this consultation process to continue without further delay.

It would be tempting, speaking to an audience of dedicated young businessmen and entrepreneurs, and their employers, to raise the banner of unfettered free enterprise and salute. I recognize the great

contribution the free enterprise system has made to the economic development of Canada, as well as to the personal development and enrichment of those who participate so effectively in it. It is obvious that much of the great wealth of Canada, as well as other liberal democracies, has been generated by the savings, by the capital investment, by the inventiveness and ingenuity, by the risk-taking, and by the sheer hard effort and determination of those who believe in it, thrive in it, and make it work.

Free enterprise is an integral part of our society, and I believe always will be.

But I must be honest with you. As far as my views are concerned, and it is obviously a position that is shared by the federal government, Canada cannot rely on free enterprise alone in our common pursuit of economic justice. As an organizer of workers and capital, yes. As a locomotive of industrial and commercial enterprise, definitely yes. As a mover and shaker of new ideas -- obviously yes. But as the instrument for economic justice in a democratic society?

Our experience clearly shows we can't, as a nation, count on it to bring economic justice to all.

Free enterprise has been, and remains, everything that I have said about it. But it leaves too much undone and uncared for to be relied upon to give us the economic justice which a society of free men and women have the right to expect. In short, free enterprise is a remarkable economic system, but it's not perfect.

I realize that as a politician it's hard to win a popularity contest with views such as I've just expressed. When you kick a sacred cow, as a politician you have to expect a negative reaction. I'm prepared for that and I want to hear your views.

Organized labour has also been tearing strips off the government's hide on a regular basis since last October. Labour has made its position on the government's anti-inflation program perfectly clear. They didn't like it! They say that Bill C-73 which established the program is a bad law. Although they say it's "unfair" and "inequitable", they won't consult with us on how to make it fair. They refuse

to name a candidate to sit on the Board. If we know what is good for us, they have told us, we will end the selective wage and price controls without further delay. This, the government has no intention of doing.

I understand how they feel about the restraint program. I don't quarrel with their right to oppose it. It's their democratic right.

Labour is genuinely and seriously concerned about the threat which a restraint program poses to free collective bargaining. Workers struggled long and hard to win the right to organize trade unions. They fought hard to get the right to bargain collectively with their employers. They succeeded, through collective bargaining, in winning a measure of economic justice for their members. But at the bargaining table there is still much to be done. They see the restraint program as getting in the way.

The trade unions are just as anxious about collective bargaining as you are about free enterprise under the restraint program. But some of the labour leadership, in my view, have over-reacted. They have

declared that the guidelines have destroyed collective bargaining in Canada. This is not so.

A trade union leader, for whom I have always had the greatest respect, said in a public meeting the other day that the guidelines have substituted compulsory arbitration for free collective bargaining. This, of course, is not true.

Collective bargaining continues across the country. Collective agreements are being completed every day, hundreds every week. Collective agreements are subject to the guidelines, but this is not a denial of bargaining.

So where does that put the government? It puts the government low on labour's totem pole, just as the Prime Minister's public statements on the need for finding new directions, and the need for "a new society", appears to have diminished the government's esteem, for a temporary period at least, among some business people.

The strong reaction to the program from some sectors of the community has been a little disappointing.

I won't say it's typical by any means, but many of you no doubt read some advertisements in the newspapers by an eminently successful Toronto businessman, criticizing the restraint program in no uncertain words. He was so shaken by the program that he was moved to refer to the Prime Minister in the headlines as "a national catastrophe". I don't think that kind of flamboyant rhetoric brings any credit to the gentleman in question, no matter how sincere his motives may have been. He was subsequently interviewed by a journalist and expressed the opinion that he wanted Canada to remain the kind of country that had given him his business opportunity. His kind of Canada, incidentally, is one where he was able to rise from nothing to a considerable fortune -- and to go on from there with the aid of a federal DREE grant of \$485,000.

Some of labour's public positions have also had their curious side. The labour movement has never been bashful about telling a Liberal government how to improve on its performance in Ottawa. Frankly, as a government, we welcome their criticism and their usually well-drafted briefs. But it's rather paradoxical for the labour movement to tell the government that

Canada would not be in the mess of combined inflation and unacceptably high unemployment if Ottawa wasn't spending so much money. Most of the money the federal government collects in taxes becomes transfer payments to other levels of government for social services, and for various programs such as unemployment insurance, family allowances, medicare, old age security and regional expansion -- all of which and more, the labour movement has appealed to government to provide.

Let me go back to the challenging doctrine from your creed. "Economic justice can best be won by free men through free enterprise." You, and the members of the Chambers of Commerce, and thousands of Canadians who are not members of the Chamber, believe that creed. In the same way, organized labour says, as it has said for many years, economic justice can best be won by free men through collective bargaining. I think it is fair to say that free enterprise and free collective bargaining, to a significant degree, are part of the same system.

I recognize, and the government recognizes, the great contribution which free enterprise has made,

and continues to make, to this country. I recognize, and the government recognizes, the great contribution of collective bargaining. Both are integral parts of a free society. But neither system is perfect. Neither system acting alone is capable of delivering economic justice to all Canadians. Further, I think it's unrealistic to count on free enterprise or free collective bargaining to do so.

Take free enterprise first. The other day I read in the Hamilton Spectator that the typical family of four in the United States needs \$15,500 a year to maintain a moderate standard of living. The estimate was made by the U.S. Department of Labour. In Canada, the average family of four had an income of \$15,000 in 1974, and adding reasonable wage increases in the meantime, the average Canadian family of four is in the same income ballpark as the U.S. family.

The question I'd like to put to you is whether you believe that economic justice requires that the typical Canadian family enjoy a "moderate standard of living". Or do you believe that economic

justice prevails at whatever level of income a family can achieve by its own efforts?

According to my understanding of the Jaycees' creed, a good society is one which determines the distribution of income on the basis of individual effort and enterprise. According to your creed, I think it is assumed that each man and woman, each family, will find its own job and income level.

If the economic rewards you are getting are less than somebody else's, it's because you are not making the same effort, or you are putting your effort to the wrong task, or you lack the skill or ingenuity that somebody else has. And if you think the system is miscalculating on the reward you deserve, you can always move some place else.

I think you would reject out of hand the other proposition -- that the typical Canadian family is entitled to a moderate standard of living. Free enterprise recognizes no obligations. Under free enterprise, nobody owes anybody a living, not even a moderate one.

It may well be that free enterprise -- if encouraged and given free play, if the impediments of monopoly and oligopoly and government regulations could be eliminated, if everybody could make rational decisions for his or her own self-interest -- could provide for economic justice.

But, unfortunately, these perfect conditions for a free enterprise system do not exist. I doubt whether they could ever exist.

I don't attribute any blame to businessmen or to the free enterprise system. All I am saying is that free enterprise is an imperfect system, or it exists to a sufficiently limited degree that we cannot count on it to provide Canadians with economic justice.

If you have your membership card, if you are in the system, you probably don't like what I am saying. You believe that the door is open and anybody with the gumption is free to come in. But you should not forget about those who are not part of the system and, for one reason or another, may never qualify.

Those not in the system, or not able to get justice in the system, would include the unemployed.

Those who are under-employed because they can't get into the right job, or who are over-qualified in dull, dead-end jobs.

Single parents looking after dependent children and living on a welfare cheque.

The physically and mentally disabled.

Pensioners who didn't have private pension coverage at an adequate level.

Young people who had to drop out of school before they acquired job skills, and graduates who can't find jobs.

Native people who are struggling to establish viable economic structures in their own communities.

Canadians in some of the regions, and in parts of our cities, who have never known an "average" income.

It is the same with free collective bargaining.

I have consistently supported collective bargaining as the best system we have devised for arriving at fair wages and fringe benefits. Collective bargaining has made a valuable contribution to a more equitable distribution of income. But the system isn't perfect. It can't be claimed, even by its most rabid supporters, that it guarantees economic justice.

Once again, not all of the work force is in the system. By a generous estimate, possibly 40 per cent of Canadians, including those who are not in trade unions but bargain according to trade union models, benefit by collective bargaining. Some others who are outside get comparable wages in a "me-too" process. Many others do not.

Bargaining "muscle", rather than a desire for equity, is frequently the decisive factor.

Trade unions whose members are situated in critical operations in the economy or in the public service, can frequently extract more from the system than a union which is less favourably located. They get more, but others get less. It is not economic justice.

It is not surprising that business people, dedicated as they are to free enterprise, would wince and complain when the government intervened and placed restraints on their freedoms. It is not surprising that the trade union leadership would run to the ramparts to defend collective bargaining.

I ask you -- as I have frequently asked trade unionists -- to consider the government's action in imposing wage and price guidelines as a defence of freedom in Canada, not as an attack on freedom. The government's mandate is not to enhance the power of the strong, but to safeguard the liberty of all Canadians.

The strong -- and in this category one can include the major corporations, many of the trade unions, the professional societies, entrepreneurs like yourselves -- the strong are capable of taking care of themselves. They can keep up with inflation, or even keep a step or two ahead. But the weak, those who were not in a position to demand and get more, were in danger of being crushed by rising prices. In such a state of uncertainty and inequity, free institutions could not survive for long.

The government was the only force in the community which could act. We did not move arbitrarily or capriciously. The only role for government, certainly the only role as far as this government is concerned, is to create conditions for, and to remove obstacles to, individual and collective freedoms.

The Prime Minister has put a simple but terribly important question to the Canadian people: "What kind of society do you want in the post-controls period?" Surely this is not a threat to freedom to the people of Canada. It is asking Canadians to participate in shaping our future and defending our freedoms.

Do you want to live in a society where some executives and professionals can earn well in excess of \$100,000 a year, while tens of thousands of Canadian families somehow live on less than \$10,000? Is that what economic justice for Canada means?

What kind of growth do we want, and what kind of growth do we want to prevent? The answer must not be decided by business alone, or trade unions or government alone, but by a free people working together.

What kind of productivity can we achieve? Can we produce more so that we can share more among all Canadians and help some of the less fortunate people in other countries? If we cannot improve our productivity, how should we divide what we can produce among an expanding population?

What priorities should we aim for in improving the quality of life? There is much to be done. We need to improve the work environment. We need to improve competition in the marketplace. We need to clean up our rivers and lakes and protect the air. We need to improve pensions.

What can we do to improve the collective bargaining system? In the Canada Labour Relations Council -- the tripartite federal council with equal delegations from labour, business and government -- we were making encouraging progress in finding new approaches aimed at reducing the adversary element in labour-management relations. I think this is the direction in which we must continue.

Free institutions, including free enterprise and free collective bargaining, will continue to play their important roles. But I believe that if they are to serve the needs and meet the aspirations of Canadians, they must be tempered with a new sense of responsibility. We must bring inflation to a level with can live with, we must bring down unemployment, and we must continue to generate opportunities for all Canadians.

AIL
- 877

INFORMATION

Government
Publications

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

TO

THE UNITED STEELWORKERS OF AMERICA

LOCAL 1031



UNITED STEELWORKERS CENTRE

1031 BARTON STREET EAST

HAMILTON

SEPTEMBER 9, 1976

7:30 P.M.



I want to thank you for the invitation to speak to your meeting tonight. The United Steelworkers has a well-deserved reputation in Hamilton, and throughout Canada, as an organization which has done a great deal to upgrade the wages and working conditions of its members. I know personally that many of the improvements which you have negotiated at the bargaining table have been adopted by other trade unions as well as by employers with unorganized shops.

Your willingness to come here tonight and exchange views about the government's anti-inflation program is certainly within the democratic traditions of the labour movement. I would like to say a few words about the program, then turn the meeting over to questions and answers.

While it is still too early to assess the impact of the attack on inflation program, it is not too early to give it a good deal of the credit for bringing down the inflationary expectations of Canadians and giving us confidence that price increases in the coming months would not be rising out of sight.

The other night a leading national political personality, speaking in Hamilton, denounced the federal government's wage and price restraint as a "phony program". This is certainly not a position which is shared by provincial heads of government of the same political party. The provincial leaders may not be in complete agreement with all aspects of the program, but they would certainly not lend their support, even on a temporary basis, to a program which they deemed to be "phony". For these provincial leaders, the federal program has a job to do, and they have thrown in their support to help make it work for the benefit of all Canadians.

You will recall that the Prime Minister appealed to Canadians last October 13th to join in a national attack on inflation. It was the view of the government, and it was clearly the view of the majority of Canadians, that inflation was the critical national problem and a problem that threatened to become even worse.

The inflationary psychology was deeply entrenched. You will all remember complaints by consumers that every time they went to the supermarket, prices of just about everything

were up several cents. They saw two or three price tags on the same can of soup, each one higher than the last. Families were having a hard time to make ends meet.

In this explosive atmosphere, it was tempting to look for scapegoats. Some blamed business, some blamed labour. Just about everybody blamed government. Corporations were unable to predict their costs for a normal production run and they raised prices in advance to cover themselves. Trade unions were predicting the most dire cost of living increases and made bargaining demands that would protect their memberships. At the same time there was real concern about government expenditures at every level. But faced with the same budget-destroying, double-digit inflation as everybody else, there was little government could do which would not mean a reduction in transfer payments to the provinces or to individuals, which would not cut grants to a social program or an industrial development activity, or would not restrict the funds available for job creation. The government did not look for scapegoats. Instead we embarked on a national effort to bring inflation under control, an effort that would require the co-operation of every Canadian. The need

for government, at every level, to restrain its spending was fully recognized.

When the Prime Minister announced the program, all of us in government knew it would not be popular. But we were not doing it for reasons of popularity. As the Prime Minister said, it was going to be tough medicine because only tough medicine could do the job.

At the time the program was introduced -- and frequently since -- the government has been charged with committing a double-cross against the Canadian electorate. How could a government which had campaigned successfully in 1974 on a platform which was opposed to wage and price restraint reverse itself in a little over a year? Our critics said the government had no mandate from the electorate to bring in wage and price controls in 1975. I reject that argument as a denial of the parliamentary system. We were elected to govern and to deal with problems as they exist.

I believe we were right in opposing wage and price controls during the 1974 election period. The escalating prices we were experiencing at that time were part of the world-wide inflation based on a shortage of supply of food, feed grains and industrial commodities as well as the quadrupling of oil prices by the OPEC countries. These price increases were outside our control. Canadian corporations were forced to adjust their price schedules to reflect the increases in their basic costs. Trade unions attempted to keep their memberships in line with increases in the cost of living. To a significant extent, they were able to do so.

But later, in the fall of 1975, the inflationary situation had changed. The problem had shifted to one of excessive demand. I believe that the introduction of wage and price restraint was the right policy for the new inflationary situation. By 1975 Canada, like many of the industrial countries, was suffering from a dangerously high rate of inflation and an unacceptably high level of unemployment at the same time. Fiscal and monetary policies, which had been successful in cooling out prices or stimulating demand and reducing unemployment, were not,

to the same degree, as effective as previously. We needed new approaches and supplementary policies to deal with the changing circumstances.

The government's program was aimed at preventing any Canadians from taking advantage of the inflationary situation, and it required all Canadians to assume their share of the responsibility for bringing inflation under control. In essence, this meant that all Canadians would have to restrain their demands on the economy, and where this could not, or would not be done in a voluntary way, the government would provide for mandatory enforcement.

The program, therefore, affected all forms of income. Prices and profits were to be restrained by limiting price increases to the recovery of added costs. Wage and salary guidelines set upper limited on increases for each of the three years of the control period. All federal operations were subject to the program. The provinces were asked to join the program and impose curbs on rent increases and professional fees. Farm and fish products are excluded at the producer level in order to encourage farmers and fishermen to produce more.

The anti-inflation program has been in operation for nearly a year. We can now clearly identify some positive indications that the controls are working. Canadians have even stronger reasons to get behind the program than they had last October. We can all have even more confidence that our stated goal of an 8 per cent inflation rate this year, 6 per cent in the second year and 4 per cent in 1978 is realistic and attainable.

There was new evidence today from Statistics Canada that the restraint program is working.

Canada's rate of inflation was down to 6.2 per cent in August compared to August 1975. This compares roughly with the year-over-year rate of 11.1 per cent in August, 1975.

A major factor in the improvement in the rate of inflation has been the slowing down in the rate of food price increases. Food prices dropped on average in every month from December to April. While food prices are not covered at the farm gate, the anti-inflation program ensures that reduced costs to the processing and distribution sectors of the industry will be passed on to the consumer.

Restraint in these sectors represents about half of the improvement in food prices.

There has also been a slowing down in the rate of increase of non-food items, which account for more than 70 per cent of the cost of living. These items showed a year-over-year increase of 9.0 per cent in August. The annual rate of change for non-food items for the three months ending in July was 6.1 per cent.

But we cannot afford to become complacent over the improvements that have been taking place. Food prices could again cause problems. There are continuing pressures on energy and commodity prices. We still have a long way to go to bring the rate of inflation down and reach the target levels.

Let me turn now to the compensation record. The guidelines for compensation in the first year of the program include the basic protection factor of 8 per cent for inflation, a national productivity gain of 2 per cent, and an adjustment factor ranging from minus 2 to plus 2 per cent depending on previous pay experience. This three-part formula is not unlike the formula that has been worked

out in a number of collective bargaining situations and which workers, I believe, feel is a pretty fair approach to compensation increases. By early August the compensation plans for more than two million workers covered by the mandatory control had come up for revision. For a little under half the workers covered by these compensation plans, the initial proposals were below the guidelines, while the remainder were above the guidelines. In the latter group, the AIB has held increases to an average of 12.1 per cent -- about 2.3 per cent above the arithmetic guidelines for these groups.

When all the increases in compensation are taken into account, real wages and salaries have increased by four per cent in the first nine months of the program. It is quite wrong, therefore, for anyone to make the claim that the program is anti-labour.

It is worth noting that the rate of increase in wages and salaries in the United States during the same period has averaged under nine per cent. The increase in average Canadian wage rates is comparatively high -- higher than a level which is compatible with reaching the targets of the anti-inflation program.

Finally, I'd like to deal with the price and profit side of the restraint program. Much of the criticism that has been levelled against the program by the labour movement has been directed to the price and profit restraints. Labour has taken the position it was a wage restraint program, but it did nothing to restrain prices. New government proposals for changes in the regulations and other measures should enable the labour movement to modify its perception.

First, the government has developed certain structural policies to make the market system work better. These include the recent proposals by my colleague, Finance Minister Donald Macdonald, to permit other financial institutions to compete with banks, and to allow banks to enter new areas of financial activity.

Second, the Governor of the Bank of Canada has indicated the growth rates of the money supply he regards as consistent with lower rates of inflation. One objective of this policy is to bring down interest rates. But interest rates won't come down until lenders feel they no longer require a large premium to protect the value of their savings against rapidly rising prices.

Third, the government's fiscal policy is geared to the dual objective of moderate real growth and declining inflation. The May budget set the course for a gradual reduction in the deficits in the government's accounts. To achieve this objective we are committed to a strategy of spending restraint. We intend to trim back our spending so that expenditure growth will be no higher than the trend in the gross national product. This means that all government departments are being forced to re-examine their priorities and to prune existing programs. Only the most essential proposals for new programs will be considered.

And fourth, the Minister of Finance introduced new proposals on Tuesday which will give the anti-inflation program a better grip on prices but also provide investors with the incentive to invest in Canada. We need to keep our industries competitive, create new jobs, and avoid running into inflationary production bottlenecks in the future.

There are some critics of the anti-inflation program who are already jumping on the new proposals as an indication that the government has no intention of restraining prices or profits. Some prominent public

personalities even jumped before they had heard, or read, the new proposals. But I have no fear that Canadian workers will fall into that cynical trap.

In the steel industry, for example, you know, much better than I, that tens of thousand of investment dollars are needed to create just one job.

The new investment incentives are also in line with the ten-point program of the Canadian Labour Congress. You will recall that in its ten points the Congress said government should provide for incentives to business and industry which would encourage them to re-invest in Canada and create new jobs. This is exactly what the government wants Canadian industry and business to do.

The central goal of the government's economic policies, which include the anti-inflation program, is to achieve good economic performance in terms of growing output and new jobs, while avoiding a renewed acceleration in inflation. The new profit and price guidelines support this objective. The new proposals would establish an investment credit which would provide firms with an

incentive to increase productivity and earn additional funds to finance more investment in Canada. At the same time the rules will maintain the necessary degree of restraint on prices.

In summary, I have asked for labour's support for the anti-inflation program because I believe that the workers of this country are at least holding their own, or better. As we approach the first anniversary of the program, I ask for your support again. For the good of the labour movement, and for the good of Canada.

CAI L
-S77

INFORMATION

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

MEMBER OF PARLIAMENT FOR HAMILTON EAST

ON

THE SPEECH FROM THE THRONE

HOUSE OF COMMONS

OTTAWA

MONDAY, OCTOBER 18, 1976

8:00 P.M. EDT

Government
Publications



Mr. Speaker, the government wants to bring before Parliament a number of proposals which should provide this country with a more constructive and responsive labour relations system. These proposals are realistic. Some of them are tough. Several of them are quite frankly overdue. All of them require the co-operation of labour and management. We intend to consult with labour and management and, in some cases, the provinces, in order to develop the necessary consensus which we will need. When these proposals are translated into legislation and programs, I hope with the full support and co-operation of labour and management, we will have gone a long way toward improving the climate and the performance of labour-management relations in Canada.

The government's proposals attack the problems on three fronts. First, we want to amend and improve the structure and process of labour-management relations. Second, we want to deal with substantive issues to improve the work environment. And third, we want to remove the contentious issues, to the greatest extent possible, from the bargaining table.

I would like to deal with each of these areas in some detail.

I THE STRUCTURE AND PROCESS OF LABOUR-MANAGEMENT RELATIONS

(1) Multi-partite Forum for Consultation

An essential step towards a more responsive and responsible industrial relations system is the development of a multi-partite forum for consultation and the exchange of information on the broad issues of social and economic concern. Such a forum would bring together representatives of government, labour, business, the farm community, consumers, possible others. We do not favour a body with the wide-sweeping powers which has been advocated tentatively by the Canadian Labour Congress. The body proposed by the Congress would purport to manage all or major parts of the economy and would require a significant delegation of power by Parliament, and this we are not prepared to do. The multi-partite body we are proposing would provide decision-makers in the industrial relations field with the background information they need for making decisions that are in

their own interest and in the public interest. Under the umbrella of such a national body, we propose there would be a tripartite consultative body to deal specifically with labour-management relations.

It should be quite obvious, Mr. Speaker, that in pursuing the course the government is recommending to Parliament, we want the involvement and whole-hearted support of labour and management.

(2) Collective Bargaining Information Centre

We are proposing the establishment of a collective bargaining information centre. The need for such a centre was recognized by labour and by management at the first meeting of the Canada Labour Relations Council in July, 1975. Both parties recognized the need for a centre where they could turn for information on the economy and the various bargaining issues which was acceptable to both parties. Members on all sides of the House will agree, I am sure, that a collective bargaining data centre of this kind would go a long way toward removing some of the worst adversarial aspects of the collective bargaining system.

Considerable quantities of economic data are now available from various government and private sources. This is not the problem. The problem is that much of this information is unsuitable for collective bargaining. In our discussions at the Canada Labour Relations Council, it was agreed there should be a single agency which would pull together these data and make them relevant and available to both parties. The government believes that the availability of such information -- comprehensive and up-to-date -- would improve the attitudes of the parties and would make them aware of what the economy can bear.

The kind of centre we have in mind would not duplicate existing data collection functions. It would act as a clearing house. It would encourage existing agencies to make their output more relevant and useful to the collective bargaining process. It would include information on rates of pay, employee earnings, conditions of employment and fringe benefits. It would provide information on the state of the economy and the state of individual industries, including

comparisons with other countries, particularly Canada's major trading partners. It would operate under the direction of a tripartite advisory board consisting of representatives of labour, management and government. Its data would be available to the public.

(3) Worker Participation at the Plant Level

Another change the government would like to encourage is to provide for greater worker participation at the plant level. To be quite frank about it, the umbrella organization, the national consultative council we are proposing, might not be seen as having much relevance to the worker on the shop floor. The consultative bodies would be more relevant to the senior labour leadership and to management. But there are important structural changes which could have immediate import for men and women workers at the production level.

We will work closely with Crown corporations to promote the introduction of worker participation at various levels of the enterprise.

There are three such areas the government wants to pursue. One is an institute for occupational health and safety. The second is measures to improve opportunities for labour education. The third is worker education.

(4) Occupational Health and Safety Institute

There can be no significant and lasting improvement in industrial relations as long as workers, in any place and in any industry, feel there is insufficient concern for their health and safety, or as long as health and safety hazards which can be identified are allowed to continue. The labour movement is concerned about this issue. Several of the provinces have introduced legislation and committed themselves to programs. We must now move forward in co-operation with the provinces. There is a demonstrated need for a national code; there is a need for the testing of potentially dangerous substances and conditions and industrial processes; and there is a need for a technical advisory service to workers, trade unions, employers, government and agencies, and the public. I anticipate full multi-partite and provincial involvement in the development and operation of an occupational health and safety institute.

(5) Paid Educational Leave

In the field of education, the government wants to explore the opportunities for individual workers and the opportunities for trade unions.

The opportunities for paid educational leave relate to the desire of workers to improve themselves in their jobs, or to develop their skills, or to prepare themselves for new careers. The concept is related to the need for worker sabbaticals so that they can regenerate themselves and prepare themselves for new opportunities in a flexible working life. Paid leave is now more or less a luxury which is afforded to some professional workers, notably teachers and doctors. The government believes that Canadian workers in all categories want to discover new career choices, and that Canada would be better off if we were to help make it possible. Therefore, the government plans to undertake a fact-finding exercise which would discover present practice in Canada and other countries and attempt to assess the possible impact of educational leave on unemployment strategies and the relationship of educational leave to a flexible working life.

(6) Labour Education

In the other area, labour education, the government recognizes the need for programs which would assist labour leaders and potential labour

leaders to acquire a more comprehensive knowledge of the structure, goals, policies and responsibilities of the labour movement in the social and economic context of Canada. Canada is well-equipped with, and well-served by, university and private institutions for the development of managers and management skills. But we have paid only minor attention to the development of trade union leadership. There is a whole new generation of workers who have no knowledge of the contributions which have been made by the labour movement to the development of Canadian democracy, and who have no access to institutions which could help them develop collective bargaining skills. The government will be seeking the approval of the House for programs which will provide support to individual workers and to labour and educational organizations.

II IMPROVING THE WORK ENVIRONMENT

Mr. Speaker, I would now like to deal with the second element of the government's proposals -- improving the work environment. I do not anticipate that I will have sufficient time today to give all the detail

that honourable members will want, but there will be other opportunities during the debate and following.

(7) Plant Health and Safety Committees

I have spoken of the need for a national code for occupational health and safety. The government is also proposing a program to increase worker participation in determining the working conditions that affect the work environment. We propose that this could be achieved, in part, through the establishment and promotion of joint safety and health committees in the shop, under federal jurisdiction. The establishment of committees on a plant-by-plant basis would provide a means for sharing the responsibility for health and safety between labour and management. They would provide a recognized role for employees in the decision-making related to safety and health matters.

I think that honourable members will appreciate the potential for such committees. Besides their concern for health and safety, they would improve communications in the workplace, and given the co-operation and good will which I anticipate will be developed, they could be extended to other work processes and conditions.

(8) Basic Minimum Standards

Another area for improving the working environment is the area of basic minimum standards. A major irritant to labour relations in any workplace is unjust dismissal. Organized labour has developed a code of practice in collective bargaining which provides for the protection of worker rights through a grievance procedure. The government proposes to extend to all employees in the federal jurisdiction the right of grievance against alleged unjust dismissal. This would not infringe on the right of dismissal for misconduct, incompetency or incapacity and it would not impede lay-offs on a non-discriminatory basis when work is not available. The proposed procedure would include filing of a complaint and conciliation of the complaint by an officer of the Department of Labour or by arbitration where the departmental officer was unable to reach a satisfactory conclusion.

In addition to dismissal without just cause, we would like to protect unorganized workers in other areas, including standards on hours of work, paid annual leave and wage protection. We are prepared to give

consideration to proposals on flexible hours of work, and we would like to move ahead with new proposals for wage protection, sick leave, bereavement leave, reporting pay and layoff and recall procedures. In order to update standards according to current needs and conditions, we will be asking the House to permit the improvement of standards through regulation, rather than submitting each proposal for amendment to the legislative process.

(9) Voluntary Code of Good Industrial Relations Practices

Closely related to the government's intention to improve the working environment through the upgrading of minimum standards is our proposal for developing a normative and voluntary code of good industrial relations practices. Such a code would provide employers and employees with a manual of good practices in all personnel-related issues. A move in this direction would help to reduce the divergence of views towards recurring labour-management issues. My department believes that the adoption of such a code in the United Kingdom was an important element in the acceptance of the social contract between government, labour and

management in that country. Such a code could emerge out of the tripartite consultations which we want to resume in the very near future.

I have referred to paid education leave and support for labour education as initiatives for restructuring labour-management relations in this country. Paid education leave could also make a significant contribution to improving the working environment. This proposal originated in a convention of the International Labour Organization and it has the full backing of the Canadian Labour Congress.

(10) Quality of Working Life Centre

The government has proposed the establishment of a national institution to improve the quality of life in the workplace. I will be perfectly candid with you and say that the concept of "quality of working life" is neither clear nor easily defined. But we do know that European experiments in industrial democracy and North American experiments in the humanization of work tend to show there is one factor which is common to all successful attempts to improve working conditions while maintaining and improving

productivity. That common element is worker participation. What we are proposing to do is to study the full range of participatory mechanisms and promote their implementation in the private and public sectors, unionized or otherwise, in the federal and provincial jurisdictions.

We recognize some serious problem areas. Trade unions have been hesitant to participate in experiments in the reorganization work, particularly if the experiment poses a threat to collective bargaining. Management has been hesitant about any change that threatens its right to organize and assign work in the enterprise. These sources of disapproval have not been insurmountable elsewhere, and I anticipate a willingness on the part of both labour and management to join in a tripartite study of this whole question. The successful implementation of any proposals in this area will involve the federal and provincial governments, and the provinces will be willing partners. This is to be a national effort.

While I would not want to anticipate the direction which labour, management and the provinces would want to take, I think it is conceivable that we

would want to start with the collection and distribution of data on experiments that have been conducted in Canada and elsewhere for the improvement of the quality of working life, we would include the monitoring of experiments in the field, we would include lectures, seminars and workshops on methods and problems, and we would establish technical and consulting services on the whole area of quality of working life. I would anticipate that the program would be administered by the Department of Labour, and the department would seek the advice of a multipartite committee including the provinces in determining priorities and co-ordinating programs.

(11) Pension and Retirement Issues

Another of the substantive issues in the workplace is the pension and retirement issue. This has become a significant source of friction in labour-management relations. An interdepartmental task force is currently studying the relationship of private to public plans and the adequacy of coverage and benefits. The Department of Labour will be assessing the information that will be developed over the next three or four months.

(12) Expanded Departmental Advisory Role

In conjunction with all these proposals to improve the quality of working life, the Department of Labour is preparing to expand its advisory role to labour and management both within and beyond the federal jurisdiction. The department has completed a decentralization exercise and can now provide the basis for an advisory service in all the regions in the important areas I have mentioned, including collective bargaining, health and safety, and quality of working life. Quite obviously, the advisory service should be developed in consultation with labour and management and the provinces.

III IMPROVING THE COLLECTIVE BARGAINING PROCESS

Finally, Mr. Speaker, I would like to mention some of the initiatives the government wants to take in order to improve the process of collective bargaining in Canada.

(13) Broader-based Bargaining

One of the first changes we want to make in this area is to move toward broader-based bargaining in some of the major federal services. I am thinking, by way of example, of the airline industry. A move in the direction of coalition bargaining would help

to avoid the kind of sequential shut-downs we have experienced in the past in this important public service. The Department of Labour has examined the collective bargaining process in this area and is ready to initiate discussions with Treasury Board and the Public Service Staff Relations Board. We intend to propose that the parties concerned consider some form of voluntary coalition for bargaining purposes. Should this not succeed, the government may want to consider amendments to the legislation.

Many of the proposals I have already mentioned are intended to diminish the adversary element in the collective bargaining process, but it is unrealistic to believe that the adversary element will disappear. It's an essential part of bargaining. What we want to continue doing, and to do even better than in the past, is to provide for third party assistance in the resolution of labour-management disputes.

(14) Improved Training for Conciliators and Mediators

The government anticipates, for example, that in the transition period from wage and price

controls to the post-controls period there will be an increased demand for government conciliation and mediation officers. It is a matter of urgency, therefore, that we now launch a program to recruit and train additional officers and improve the quality of the services.

(15) Improved Arbitration Services

The government is also proposing to improve the process of arbitration and the supply of arbitrators. In recent years the grievance arbitration system has been criticized as being too lengthy, too costly and too legalistic.

(16) Amendments to Part V of the Canada Labour Code

We also want to introduce some amendments to the Canada Labour Code which will be aimed at improving the collective bargaining process. The collective bargaining system is a good system, but it needs to be kept up with changing needs and conditions. Frequently there are delays which are probably avoidable. There are costs which represent an impressive burden on some trade unions and some employers. There are tensions which produce their fall-out long after the formal settlement is concluded. In the coming weeks,

Parliament will be asked to consider amendments to the code which will improve the balance of responsibility among government, labour and management. We also want to establish a fair balance between trade unions and their members and provide for the prompt and equitable resolution of complaints which individuals may have against unions for not carrying out their responsibilities.

All of these proposals will be complemented by measures to improve the collective bargaining system in the public sector. We want to reduce the adversarial nature of the process and ensure an equitable relationship between compensation levels in the public and private sectors.

Mr. Speaker, I have spoken about some of the proposals the government intends to introduce to improve the structure and procedures of the industrial relations system. I have given some detail on substantive proposals to improve the work environment. And I have emphasized the government's determination to remove some of the stress and strain from the bargaining table and make the system work better. I am sure that these measures will be widely supported on all sides of the House.

CA 1 L

-577

INFORMATION

CHECK AGAINST DELIVERY

Government
Publications

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

"THE MYTH OF BIGNESS"

DALHOUSIE UNIVERSITY

HALIFAX, NOVA SCOTIA

JANUARY 20, 1977

4:00 P.M. AST



THE MYTH OF BIGNESS

In the few minutes which you have kindly given me today, I would like to speak to you about what I consider to be the "myth of bigness".

The title of your lecture series is "Big Business -- what's so bad about it?" As an eternal optimist in politics, I don't like to approach a question in that negative way.

My inclination is to ask, what are the good things about this situation or this institution? How can we have more of it, how can we share it so that more people can benefit from it? Then where we find some aspects of it that we don't like, how can we, as a society, overcome the difficulties and the problems without interfering in a destructive way with the operation?

In my home town of Hamilton, Ontario, big business means steel, machine tools, engineering products, industrial equipment, home appliances and consumer goods. You couldn't produce these products for mass markets without the multi-million dollar investments and the concentrations of management and labour skills which are associated with big business.

In my office, and as I travel around the country, it is impressed on me every day that most Canadians would like to have more investment -- more big business, more jobs -- in their communities. Big business means a big payroll. When business is healthy, more people are employed, supplier plants are busy, and small businessmen get their fair share.

Bigness in Government

Bigness, of course, is not an unmixed blessing. We have seen this in government. Government bureaucracies had grown so large they had become remote and inaccessible, or they appeared to be remote and inaccessible, from the people they were meant to serve. In Labour Canada we

recognized this problem two or three years ago. We have moved to overcome it by decentralizing the administration of our departmental responsibilities into the five regions. Some other federal departments are transferring entire branches, where there is no real need to keep them in the national capital district, into parts of Canada which have more urgent need for investment, jobs and consumer spending.

Another aspect of bigness in government which is the frequent target of criticism is the size of federal revenue and expenditure. Most Canadians probably have reservations about one or more of the programs in the \$42 billion a year federal budget. But bigness in this case is relative to the jobs the many elements of the public want done. One forgets, perhaps, that more than 70% of federal expenditure is represented by transfer payments to other levels of government as equalization payments, medicare and hospital cost-sharing and other joint programs and social security payments to individual Canadians in the form of pensions, family allowances, manpower training allowances, and welfare. Many critics

of government spending tell us to fire our public servants. But as my colleague, the former President of the Treasury Board has said, even if we managed to fire every public servant, every RCMP officer, every soldier and still run a central government, we would be faced with expenditures of about \$36 billion a year. In keeping with the government's restraint program, and in response to public demand, we have cut back on public service hiring for the coming year to an increase of one-half of one per cent -- almost to the level of a hiring freeze -- and we have placed drastic control limits on new departmental programs.

The present government believes it is both possible and desirable to move toward a substantial reduction in the rate of growth of government expenditure and direct government intervention in the economy, and to develop less costly programs to serve the legitimate social concerns of Canadians. Canadians are self-reliant and resourceful, but we will continue to look to the government for those services which the government can provide more efficiently and equitably than any private institution.

In other words, Canadians don't like bigness in government, but they value the greater equity in income distribution, wider access to basic goods and services and the moderating influence on the operation of market forces which big government can deliver.

Bigness in Business

I think you would also agree that there are problem areas, as well as illusions, with bigness in business. An industry or a business becomes big in response to the imperative to produce goods and services at the lowest possible cost. The big industrial unit can attain economies of scale which are denied to the smaller operation.

Sometimes the pursuit of bigness has resulted in decisions, and practices, which have caused a negative fall-out for the public. For example, a by-product of some industrial operations has been pollution of the air, water and land. Nobody is more aware of the perils of environmental pollution than you are in Nova Scotia as a result of recent marine accidents.

There was a time when business could get away with pollution. The pollution wasn't noticed, or it was seen as a cost which could be passed on to the environment.

In recent years, business has been called to account to an increasing degree for any behaviour which is seen to be anti-social, and I think it's fair to say that business is responding in a creditable way. When an industry is found by a regulatory agency to be polluting the environment, the first objective is to find ways to prevent the pollution -- not to shut down the plant and prejudice investment and jobs. It is only when the industry refuses to make improvements, or fails to live up to a commitment to avoid pollution, that more drastic public action must be contemplated.

Another negative aspect of business in business is the way in which many jobs have been dehumanized. Ideally a worker should be able to choose a job freely; he or she should have access to jobs which are creative; and the job should not be exploitive.

Many, if not most, jobs in big business are far from this ideal. In a real sense, labour is often seen by industry as a necessary evil. The practice seems to be: Hire labour only when you need it, and lay it off when it becomes redundant. If labour can be avoided, automate it out of existence. Get rid of the creative, skilled jobs; they only cause trouble. Break down each operation into simple, repetitive jobs that can be done easily by unskilled workers.

For the investor and the business manager, this attitude towards labour makes sense. But for the workers it destroys job security; and it makes jobs boring, meaningless and nerve-racking.

Some industries have come to the realization that they have pushed mechanization beyond the limit of practicality, not to mention human endurance. Unfortunately, it has been the impact on productivity, and not the impact on people, which is causing many industries to reassess their production processes with a view to taking the human element into account.

Despite legitimate criticism of bigness in business, Canadians for the most part give business a vote of confidence. It doesn't have to be a love affair; we're just being practical. It's probably easier to identify with the corner store, the small business, the family firm, the partnership, the employee-owned enterprise, or the co-operative. These forms of business enterprise will continue to flourish. But the kind of operation we all identify as big business will dominate our major industries for the simple reason that they have access to the massive amounts of risk capital and they can attract the management and labour skills which are required to do the job.

Bigness in Labour

If I am right in suggesting that Canadians, with some reservations, accept bigness in government and bigness in business, where do we stand on bigness in labour? I think most Canadians are suspicious and antagonistic about big labour and I think it is a big mistake.

A couple of weeks ago in London, England, I repeated a remark I have made on a number of occasions in Canada. In answer to a question by a newsman, I said that Canada would be better off if we had a trade union movement as strong as the trade union movement of such countries as Great Britain, West Germany and Israel. In referring to powerful trade unions, I am not speaking of the sporadic use of raw union muscle which can shut down an industry or cripple the economy. That kind of activity represents a breakdown of the free collective bargaining system.

A strong trade union movement is one in which the country's trade unions are bound together as a cohesive national labour organization. A strong labour movement is one that works as part of the national industrial system, instead of fighting against the system. A strong labour movement can reach accommodations with government on economic and social policies as well as maintaining labour's share of national income through collective bargaining. That's the kind of labour

movement which exists in Britain, Western Europe, Israel, and to a high degree, in the United States.

It is a mistake to talk about a "powerful" trade union movement in this country. In Canada the labour movement is not strong. It is weak. It is fractured into 192 international, national and independent unions with more than 9,000 highly autonomous local unions. The typical local union has 200 or 300 members. The movement represents less than 30 per cent of the labour force. The Canadian Labour Congress is the largest conference of unions; its affiliate unions represent about 71 per cent of all union members in Canada. But the Congress has no authority over the collective bargaining objectives and behaviour of its affiliates, and only limited disciplinary power over its affiliates. In view of this decentralization and local autonomy, it is remarkable that trade unions have made the gains that they have.

Sometimes when I speak to an audience about the need for a stronger trade union movement, I can feel the antagonism. It fairly bristles. I can anticipate the questions -- and the editorials in tomorrow's newspapers.

How about all the strikes? How about unions that can shut the country down, or shut an industry down? How about picketing and secondary boycotts? How about the 9 to 10 million mandays we lose every year in labour-management disputes -- more than any industrial country?

When these questions are raised, we are only talking about the symptoms of unhealthy, maladjusted industrial relations. The workers also pose their questions. What about the employer who lays off workers capriciously? What about the employer who shuts down and moves his plant away without notice? What about the employer who contracts out work and lays off his employees? What about the employer who speeds up the assembly line? The questions are just as numerous.

When Canadians talk about the need to curb the power of big labour, they are really expressing their displeasure about the adversarial aspects of our industrial relations system. We have a free labour market, and we have freedom of association in Canada. We recognize the

right of workers to join trade unions; we certify the union which is supported by the majority of employees to be their bargaining agent; and we require the union and the employer to bargain in good faith in order to reach a collective agreement. In most situations the union and the employer do reach agreement. Where they can't agree, they must submit to a conciliation procedure under the Minister of Labour. The vast majority of negotiations are successful either at the voluntary level, or at the conciliation level. The rest are either dropped (that doesn't happen too often), or they go to a strike or a lockout.

Nobody likes a strike, nobody likes to be locked out -- particularly workers who lose their pay and employers who lose their production. Third parties -- members of the public -- don't like strikes or lockouts that inconvenience them or worse, those that prejudice their health and safety.

The answer isn't outlawing strikes and lockouts. That would only lead to illegal strikes and punitive layoffs. Instead the answer is to undermine the adversary elements in labour-management relations and get labour and management to work together on common goals.

All of the industrial countries are looking for ways to undermine the adversary elements of their industrial relations system. Some have already made impressive changes.

In West Germany, for example, the system of co-determination which brings worker representatives into the board of directors of companies, the workers are accepted by government and perhaps grudgingly by management, as part of the system. They feel they have a stake in making the system work. Productivity in West Germany has been among the highest in the industrial world. The workers are among the best paid in the world, and they have been able to do all this without the destructive man-day losses we have experienced in Canada. There may be some aspects of the West German approach which could be adapted to the Canadian system.

Economic adversity is also bringing about a change of attitudes in Britain -- new attitudes on the part of the labour movement toward the economy and new attitudes on the part of the government, and to a growing extent by industry toward the trade union movement.

The industrial chaos, the lost productivity, the ruined export markets and the declining standard of living in Britain is usually blamed on the venality, treachery and sheer bloodymindedness of the trade unions. It would be nearer the truth to look for the culprit in the adversary system which has permeated British industrial relations in the past. The trade unions were never part of society. Workers have had to fight for every advance in their standard of living. Until the recent economic adversity, the trade union movement was never accepted as a social partner.

To escape from high unemployment, disastrous rates of inflation and a wages free-for-all, British trade unions have persuaded their ten million members to submit to a voluntary but extremely tight-knit incomes policy. In the face of an inflation rate which has ranged between 12 to 26 per cent, British workers have agreed to limit their pay increases to six pounds sterling a week for the first year, and then to an increase of 4.5 per cent. This amounts to a severe cutback in their real take-home pay. The decision of the British Trade Union Congress to endorse such a wage policy was an act of statesmanship. But it was also the act of a strong trade union movement.

For Canadians, perhaps the most significant aspect of the British experience with their incomes policy has been the development of a consultative process for arriving at a national consensus on economic and social policy. British trade unions and the British working class, which historically had been treated as social outcasts, are now accepted as a social partner

in efforts to restore confidence in the pound and regain Britain's international competitive position. The consultative process is certain to continue as part of the British system of dealing with social and economic change.

The western European industrial countries -- West Germany, Sweden, Denmark, France, Austria, Holland -- have an even longer experience with consultative mechanisms. For a decade or two, these countries have been developing and refining consensus relationships which allow labour and management to consult as social partners with government on the broad range of economic and social issues. With varying degrees of success, they also developed a commitment on the part of labour and management to find solutions which keep in mind the common interest.

The time is long overdue for Canadians to drop their suspicions and invite the labour movement in from the cold. We are now well into the second year of the wage and price restraint program. While

we still have a long way to go in bringing down the rate of inflation to six per cent for the year ending in October, and down to four per cent the following year, we must be confident of public support for voluntary restraint when we move into the post-control period. Without the support of the labour movement -- the kind of willing support the British trade union movement has given to the British government's restraint program -- we could soon be right back where we started in the fall of 1975.

The next few months will be a critical period for taking the decisions that could allow us to submerge some of the worst adversary elements of our industrial relations, and to move toward a relationship based on co-operation and partnership. The labour movement, I believe, is ready to make that move. The Canadian Labour Congress, in adopting its Manifesto last May, made a strong proposal for being an equal partner in a consultative mechanism which would develop a consensus on the social and economic issues which are important for workers.

In the Speech From the Throne last October, the government announced a commitment to establish a national multipartite consultative body for bringing together the major interest groups including labour, business, the agricultural community and possible others; and associated with the multipartite body, we proposed to establish a tripartite mechanism for consultation and collaboration between government, labour and industry on problems and programs of industrial relations.

To improve labour relations at the local level I have also proposed that we create a collective bargaining information centre, establish a national health and safety institute, set up health and safety committees at the plant level, support paid leave for workers and trade union leadership training, encourage broader-based bargaining, improve conciliation and mediation services, promote worker participation in the board of directors of their employers, and create a national centre for improving the quality of working life. The labour movement has already agreed in principle to several of these proposals.

I am hopeful that this year we will be able to reassess our attitude toward "big labour". If we can get some of our programs under way -- programs such as the collective bargaining information centre, the national health and safety institute, paid leave for workers and trade union leadership training -- we can undermine the adversary approach to labour-management relations. Then we can devote more of our energies to the common goals of how we are going to make the economy work better, and how we can improve the quality of working life.

INFORMATION

CHECK AGAINST DELIVERY

Government
Publications

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

TO

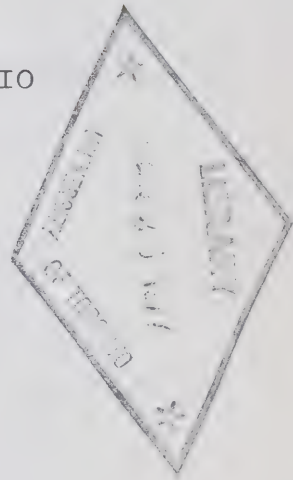
ASSOCIATION OF PROFESSIONAL ENGINEERS OF ONTARIO
NIAGARA CHAPTER

"INDUSTRY NIGHT"

Club Heidleberg
569 Lake Street
St. Catharines

February 16, 1977

6:30 p.m.



Tonight I would like to speak to you about confrontation in two aspects of our national life, and how we, as Canadians, should deal with it.

The most critical area of confrontation in the minds of most Canadians is no doubt the crisis which was heightened by the election of the Parti Québécois last November. Premier Lévesque has clearly declared the intention of his government to lead Quebec out of confederation.

Unless we can convince Quebeckers that they will be better off in terms of their cultural and economic life in a free and united Canada, the movement for an independent Quebec, which now has the support of only a minority of Quebeckers, will become the only legitimate option for the majority. If that were to happen, we in the other regions of Canada would have to share the blame for destroying our country.

Unfortunately, there is no consensus in Canada as to how we should keep the country united and undivided. It is the responsibility of all Canadians to help develop that consensus.

The other area of confrontation which seriously divides and weakens Canada is the confrontation between labour and management in most of our industries and in the public sector. Year after year Canada has been leading the western industrial countries in lost mandays resulting from labour-management disputes. This is a loss we can ill afford. The cost of the disputes can be roughly calculated in lost wages and lost production.

The losses are in the hundreds of millions of dollars a year. If these were the only economic consequences, the cost would be bad enough. But to this we must add the losses in productivity in the days leading up to, and following, a dispute.

These costs are more difficult, if not impossible, to measure. There is also the more subtle damage to job satisfaction and pride of workmanship which continues long after a dispute has been settled.

If Canada is to achieve a high level of national unity, the kind of national purpose we envy in some of the west European countries, Israel and Japan, we will have to make a greater national effort aimed at diminishing the negative adversary elements in the labour-management relationship. If we fail to do so, the standard of living of Canadians will surely decline.

Unfortunately, we also appear to be a long way from a consensus on how to deal with this destructive area of confrontation. I will have some proposals for your consideration.

Confrontation over separatism

How do we convince Quebecers they would be better off remaining in Canada, and growing within Canada?

The answer, as far as the government is concerned, is straightforward. We must do a better job in making Canada a nation of good friends in a free and open society. We must make Quebecers feel they can be themselves in their native province and in other parts of Canada. They must feel they have a fair share of power in determining the course of federal policy and administering federal programs. They must feel they can protect and develop their language and culture as well, if not better, within Canada as in an independent Quebec. The same openness and hospitality, of course, must be reciprocated by Quebecers toward other Canadians.

What we can't do, as some politicians and political commentators have recently suggested, is "cool it". Those who say we should cool it want the government to shift our concern for the Quebec situation to the back burner. This, they contend, will avoid confrontation. On the contrary, it would only mean handing to the separatists the initiative in the battle for the hearts and minds of Quebecers. This we will not do. We intend to impress on Quebecers through every legitimate means the advantages of continuing as part of a united Canada. If that results in heating it up, that's the way it's going to be.

The government didn't discover "the Quebec problem" last November the 15th. We didn't suddenly need to adopt emergency measures for treating Quebec as a province with equal rights in Canada, or encouraging more Quebecers to come and work in their government in Ottawa and compete for jobs in federal offices throughout Canada, or promoting new ways to make Quebecers feel at home in other parts of the country. We have felt this way, we have been doing those things, since the early years of Quebec's quiet revolution.

We have been consistent and unswerving in our position that the destiny of this country lies in preserving the linguistic rights of the two founding groups. An essential part of these rights is the right of Canadians to communicate with the federal government and its agencies in all parts of the country in the two official languages.

But there are limits to what the federal government can do in maintaining a united Canada. To fulfill the dream of the founders of Confederation, the provincial governments should be doing much more to implement the two-language policy in their own jurisdiction. In many practical, every-day ways, language presents the provinces with opportunities to bring Canadians together. The provinces have made a commitment to upgrade the teaching of a second official language in the schools. This is where real progress can be made in making French-speaking and English-speaking Canadians feel at home wherever they may be. Cost is no barrier: the money is there. The federal government is committed to supporting the provincial efforts in a cost-sharing program.

We must end lip service and half-hearted support to the two official languages.

An entire generation of young Quebeckers has grown up since the start of the quiet revolution. All this time they have been exposed to the separatist option. In large numbers they have swelled the ranks of their teachers and their mentors in the media who are determined to take Quebec out of Confederation. Unless the anglophone majority of Canada is prepared to demonstrate, in practical ways, that Canada is truly an open society with an equitable place for the francophone minority, the lure of an independent Quebec where francophones would be the majority could become irresistible.

It's important to take note of the encouraging signs of change. The program of the Ontario government to accelerate French-language instruction at the grade school level is a solid move in the right direction. But much more needs to be done.

I regret that there are Canadians, including some thoughtful and influential Canadians, who are advocating a course of action which can only serve the cause of Quebec separatism. These are Canadians who believe that the future of confederation lies in amending or rewriting the British North America Act so as to give special status to Quebec. Another approach, but with the same results, would be to reorganize Canada into a federal union of associate states based on language. This is only one step removed from Premier Lévesque's goal of an independent Quebec having a special status with the remaining parts of Canada.

The strength of confederation has derived from our ingenuity, flexibility, and willingness in providing remedies without violating the integrity of Canada from sea to sea.

Special status has a strong attraction among some francophone Quebecers because of their natural determination to preserve their language and culture. It has a real attraction to some Canadians outside Quebec who have a strong sense of fairness and justice but who fail to appreciate the role of the federal government in defending language rights across all of Canada.

This is no solution to the threat of separatism. It is no solution to the protection of the French language. Special status is a simplistic approach which is fraught with real peril for the French language in Canada as well as for national unity.

Recognizing special status for Quebec would undermine the protection for the French language and culture which is provided by federal law and institutions.

Special status would undermine the acceptance by English-speaking Canadians of the French language as an essential element in Canadian nationhood.

The existence of two linguistic communities in one nation is the distinctive feature of the Canadian identity in North America. We have purposely followed the course of nurturing two linguistic communities, in contrast to the United States where there was a conscious effort to bring all citizens under one language. The preservation of the two languages as a basis for nationhood is a formidable protection of Canadian independence against the overwhelming presence of our friendly neighbour to the south.

Lastly, special status for Quebec would undermine the growing awareness, and the growing acceptance among English-speaking Canadians, that our country is enriched by the existence, side by side, of two of the world's great languages. I personally envy those Canadians who can switch easily from one of our official languages to the other, and appreciate the richness that each language offers.

Those who would recognize special status for Quebec, or establish a new confederation on the basis of associate states, should ask themselves a few questions:

Under a relationship between associate states, would there still be the commitment to the Official Languages Act by all the political parties in Canada?

Would there be the same commitment among English-speaking Canadians outside Quebec to preserve francophone rights?

Would the provinces, which have overtly expressed their commitment to provide French language instruction at the grade school as well as the secondary school level, continue to follow through with this commitment?

The protection of the French language as a matter of federal policy, and the extension of the French language as a second language among English-speaking Canadians is of prime importance to francophone Canadians. They need to defend their language frontiers and extend them to encompass all of Canada.

If the federal government were to opt out of language rights and Quebec were to be recognized for special status in order to protect French language rights, Quebec could soon become the only part of North America where the French language would be protected by government action. This would not be in the best interest of Quebecers, or francophone Canadians outside of Quebec. Without a national language role for the federal government -- in Quebec as well as all the other provinces -- French-speaking Canadians in Quebec would become hived off in a francophone ghetto and francophone Canadians in the rest of the country would be cut off from their cultural and linguistic roots.

Canadians -- in all parts of Canada including Quebec -- are angry and frustrated about the glib assurance of the Péquistes that Quebec independence is inevitable. Yet many of these Canadians would blithely consent to a special status for Quebec which would result in a step by step march to the same goal of two separate nations.

The only answer for Quebeckers who are pondering the future of Quebec is the reaffirmation by all Canadians that Canada must continue as a federation in which both the French and English languages are recognized as equal, and where francophones and anglophones can be at home in all parts of the country.

Confrontation between labour and management

When we speak about separatism in Quebec, most anglophone Canadians would agree we have to make Quebeckers want to stay in Canada. Why can't we apply the same logic to the workplace, and persuade workers and their trade unions we want them to feel they are a part of the system?

For the last couple of years I have been going around telling Canadians in all kinds of audiences that what this country needs more than anything else is a strong labour movement. The response hasn't been too favourable, and the editorials in the newspapers

the next day have been pretty predictable. The typical reaction is that Canada already has a labour movement that's too strong and too trigger-happy about hitting the bricks.

The so-called "powerful" Canadian labour movement is myth. Potentially it could be a powerful instrument for better productivity and job satisfaction, but now it is fractured and decentralized. The poor strike record of this country is not a mark of labour strength; it is a mark of failure on the part of both labour and management to make the system of free collective bargaining work.

I will readily admit that governments must share much of the blame for our poor industrial relations record. The labour codes and the industrial relations legislation reflect the realities of an adversary system, and therefore help to perpetuate the adversary elements which I believe are destructive and counter-productive.

The first thing we have to do is to accept trade unions as part of the free enterprise system -- just as we recognize professional societies as having a legitimate role in the system. If we would do this, we would have the workers and their trade unions working with the system instead of against it. They would have a greater stake in the success of the enterprise, and would have more reason to make their company profitable.

The acceptance by Canadians of the trade union movement as an integral part of the system, and the updating of labour codes to reflect this new reality, must go hand in hand.

I am disappointed that businessmen, managers and professionals, such as the membership of this chapter of the Professional Engineers, don't speak out more often in favour of the rights of workers to have their organizations, and in favour of the right of trade unions to bargain for decent wages and conditions.

I am disappointed that in at least two Canadian provinces, quite the opposite is happening. In certain circles, there has been a revival of support for the infamous "right to work" movement which has been the curse of labour relations in the United States. The right to work law bans the union shop, and in all but exceptional circumstances has successfully eliminated trade union organization in states where it has been enacted. The new administration in Washington is expected to repeal the federal legislation which permitted right to work laws in the states. Hopefully, this will remove an unhealthy influence over labour relations in this country.

Canadians, and particularly businessmen and professionals, admire and envy the stable labour relations and the efficient economies of western Europe. What they overlook is that every one of these countries has a strong and active labour movement.

If I may take the example of Sweden, certainly one of the most productive countries of the world and one with high labour income:

Most of Swedish industry is owned and managed by private corporations. The co-operative movement holds an important place, and there are some government monopolies and public utilities. But at least 90% of Swedish workers are employed in the private sector.

Most Swedish workers are members of trade unions or other employee organizations with the right to bargain with their employer. Blue collar workers are 90% organized. White collar workers including office workers, sales personnel, foremen, supervisors, engineers, and other middle management employees are 75% organized. The LO -- the organization of industrial unions -- has the largest voluntary membership of any labour movement in the world. Foremen are especially well organized. Professionals have their associations and they are centrally organized in the Swedish Confederation of Professional Associations.

This high degree of worker organization has not crippled Swedish production or imposed worker control over Swedish industry. The Swedish labour force has one of the lowest records of mandays lost, and Swedish workers are among the best paid in the world.

It should be remembered that Swedish industry is also highly organized. The Swedish Employers' Federation (the SAF) began as a defensive body to take care of employer interests in bargaining with trade unions. It consists of some 41 affiliated associations, with upwards of 25,000 member firms.

The employers have adopted a united front, and this in turn demands fairly centralized power. The SAF associations must get SAF approval of their constitutions or any amendments to them, and every labour contract of a member employer must have SAF approval. Companies are subject to penalties if they break the common front. Talk about organization!

Management and labour face each other in Sweden in a stable balance of power. They do have their strikes and lockouts, but these are few and far between. Management and labour meet to negotiate collective agreements, but they also meet to work together on problems where they have a common interest.

I don't suggest that we can, or should, emulate the Swedish structures. But I do like their intelligent approach. It's an approach based on mutual respect and common purpose.

Finally, I would like to tell you what I've been telling audiences elsewhere in Canada about power sharing in industry. Besides recognizing the right of workers to organize and negotiate with employers for wages and conditions, management should review their attitudes on management rights. They should decide to give workers and their trade unions a greater voice in decision-making in other areas of corporate policy.

I appreciate this is a controversial statement. But look at what is going on in other countries whose productivity and labour peace you admire and envy.

I will take the example of West Germany. We all know that the West Germans are well off, better off on average than the citizens of most other countries. Measured in terms of real income, West Germans are in third place behind Sweden and Switzerland, and ahead of the United States and Canada. West German industry has consistently led the industrial world in productivity and had one of the lowest records for mandays lost due to industrial disputes.

Chancellor Helmut Schmidt recently gave credit to the trade union movement of his country for helping make "the German miracle" possible. Chancellor Schmidt said the trade union movement of other European countries was fragmented (in much the same way the Canadian labour movement is fragmented). In those countries, strikes are numerous, but wages amount to about half of West German wages.

Chancellor Schmidt explained: "We would never have achieved the economic and social progress after the war and today's political and social stability without (responsible union leadership), without the sense of proportion in labour policy and social policy, without the political sense of proportion shown by the trade unions and their leaders."

The improvement made by German workers in their standard of living and the improvements in German social security were not achieved by force, not by extremist means. They were made by the rule of law, by democratic means through continuous, determined negotiating, step by step over 25 to 30 years.

Schmidt also gives credit to the trade unions for their tenacious pursuit of greater participation in decision-making in German industry. During the last 75 years, the state and business have appealed continuously for the co-operation of the workers and their trade unions to exert themselves for the improvement of productivity, to show more responsibility, or to make the unthinkable

sacrifices that were needed to pull Germany out of one economic crisis after another. The trade unions and the workers have always been willing to give this co-operation.

But the German workers and trade unions wanted a share in decision-making, or co-determination in the industries they were helping to build. For a long time this right was denied to them. It was only after World War II that a beginning was made by the imposition of co-determination in the coal and steel industry. It has recently been extended to more of the principal employers.

Co-determination is not universally accepted in West Germany. It is fair to say that it is vigorously resisted by a significant element in the employers' ranks. Full parity in co-determination -- parity between labour and management on the boards of directors -- cannot be achieved at the present time. But this remains the goal of a trade union movement which has a long history of struggle and achievement by democratic means.

One last reference to Chancellor Schmidt.

He said last year (to a trade union audience):

"....the employers should recognize that co-determination expands the opportunities of co-operation, by which the unusually high degree of social stability in our country can be still more improved. It would be a great mistake to fail to hold the workers, the Workers' Councils, and the trade unions capable of the insight and vision necessary to take management-policy decisions in the interests of the company and those who work in it. The co-determination that is coming will neither make management decisions cumbersome nor undermine our position in the world's markets." (Unquote)

Once again, I do not suggest that Canada should try to adopt West Germany's structures. But this intelligent approach to worker and trade union co-operation -- which postulates that workers have brains as well as hands -- is one which we can ignore to our peril.

I have recently proposed that we make one small step in the direction of co-determination. As an experiment, I believe it would be worthwhile if one or two of our federal Crown Corporations placed an employee representative on their board of directors. I am confident that Canadian workers would display the same constructive attitudes on the board as West German workers have demonstrated for many years.

In conclusion, I would like to appeal to the professional engineers of this chapter to take a leadership role in developing new approaches to labour-management co-operation. It is your professional responsibility to take decisions which will make Canadian industry more efficient and more competitive. I believe that you will achieve your goals sooner if you will first get the workers and their trade unions on your side.

A1 L
-S 77

INFORMATION

CHECK AGAINST DELIVERY

Government
Publications

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

ON

"A BETTER WORK ENVIRONMENT FOR CANADIANS"

TO

TO A LUNCHEON MEETING OF

THE ROTARY CLUB OF BURNABY,

BURNABY - HASTINGS AND BURNABY - KINGSWAY



At Burnaby, B.C.

Monday, March 14, 1977



Last October, during the debate on the Speech from the Throne, I announced a 14-point program for improving Canada's labour relations system. Since that time, I have met with representatives of labour and management, and with the provincial labour ministers, to explain the various features of this program in more detail, and to enlist their co-operation in putting them into effect.

The response, I am happy to say, has been largely positive. There have been reservations in some quarters, but in the main there is general agreement that the initiatives we have proposed would go far toward creating a better work environment, as well as a more harmonious labour-management relationship.

However, despite my discussions with company and union officials, and despite the several speeches I have made thus far on the subject, public awareness of the 14-point program remains very low. Even among the rank and file of Canadian workers, knowledge of the program and its benefits is still minimal. This is regrettable, because we will eventually need the support and active involvement of all working people, as well as their unions and employers, if Canadians are to derive maximum benefit from some of the measures being proposed.

My address to you is therefore another attempt to explain what the 14-point program is all about, why we think its proposals are important, and what the advantages will be to everyone concerned.

It is necessary, first of all, to sketch the background from which the program emerged. There was a crisis of confidence developing in our labour relations system, growing public disapproval of the high incidence of strikes, lockouts and other industrial disputes, and the attendant increase in public inconvenience and lost man-days of production. The tensions inherent in our adversarial labour-management system had clearly escalated to unacceptable levels. Workers' dislike of the authoritarian structure of most industries was reflected in low morale, absenteeism, and high turnover rates. Too many jobs carried health and safety risks that could, and should, have been avoided.

The failure of companies and unions to correct these faults through bilateral dealings led to more and more government intervention, and to reliance on an army of third-party mediators, conciliators and consultants. The system continued to struggle under the growing strains, and public confidence continued to erode. The basic freedom of collective bargaining was clearly threatened.

The federal government, as well as most provincial governments, came under intensifying pressure to intervene more strongly, even to institute some form of compulsory adjustment of labour-management differences.

These pressures eventually reached a stage where the essential freedoms enjoyed by both labour and business to work out their own problems were seriously endangered.

Together with my officials in Labour Canada, I held out against such draconian solutions. Our faith in the free collective bargaining system was unshaken. We knew that it was undergoing strains, that it was in need of more flexibility and reform, but we were confident -- and still are -- that it is by far the soundest and most workable method of reconciling the interests of labour and management.

So we looked closely at those aspects of our labour relations system that were giving the most trouble, and we devised measures aimed at improving them. Our approach -- if I may use a medical metaphor -- was to prescribe remedies for the ills besetting labour relations, rather than give it up as a terminal case or, as some extremists were urging us, resort to euthanasia. We were, and are, convinced that our

system of labour relations can be restored to robust health. But we can't do it alone. We need the help of other governments and from labour and industrial leaders across the country.

Judging from the favourable response already received, I am optimistic that some parts of the 14-point program can be implemented within the next few months, and the others can soon be worked out in consultation with labour, management and the provinces. The open endorsement of most of the 14 points by the Canadian Railway Labour Association and the positive response by individual trade unionists is especially encouraging.

Our initiatives can be divided into three sub-groupings. The first lot are aimed at improving the working environment and thus removing from the bargaining arena as many contentious issues as possible that have to do with working conditions such as health, safety, and job enrichment.

Quite often, when we delve into the origins of labour-management disputes, we find that, while the immediate issue may be wages, the underlying malaise arises more from less tangible factors. Job dissatisfaction. Boredom. A pileup of unresolved grievances. Lack of proper safety or ventilation or heating. Inadequate lunchroom facilities. Resentment of a dictatorial form of supervision.

Some of these matters are susceptible to correction at the bargaining table, but many others are not. They flow out of the structure and nature of the work place itself, the way work is organized and performed. To the extent that the bargaining process is unable to cope with such frustrations, they tend to find outlets that are often harmful and disruptive.

It is our belief that, if we can make the work place more pleasant and make jobs more rewarding, we will remove many of the abrasive tensions that cause antagonism between workers and employers, between union and management. This in turn will create a better atmosphere for collective bargaining and productivity.

IMPROVING THE WORK ENVIRONMENT

Seven of the 14 initiatives are designed to improve the working environment. They are:

- *a national occupational safety and health centre;*
- *a national quality of working life centre;*
- *expansion of existing advisory services to help locate and treat potential problems before they become serious;*
- *a voluntary code of good industrial relations practices;*

- *legislation to prevent unjust dismissal, ensure payment of wages, and add other basic minimum standards for the protection of unorganized workers;*
- *an effort to implement the ILO Convention on paid educational leave;*
- *improvement of government policies on pension rights and benefits so as to reduce the friction caused by this issue at the bargaining table.*

Each one of these initiatives -- or, indeed, any of the 14 points in our program -- would require a speech in itself to explain all of its ramifications. I can only elaborate on each of them very briefly at this time.

The national occupational safety and health centre is something we are developing in co-operation with the provinces, since, to be truly effective, it must cover all jurisdictions. We see it as a centre for researching and developing improved safety measures and standards, testing potentially dangerous materials and processes, providing technical services and advice to employers, unions and governments -- and eventually producing a national safety code. The issue of industrial safety and health is being given a high priority. We feel that it is

a prerequisite to improving our labour relations system. Workers who are worried about their physical well-being on the job, and who see little outside concern for their safety are not inclined to co-operate in other efforts to reduce industrial conflict or to improve productivity. Work safety has to be the bedrock of any program aimed at improving the quality of working life.

The quality of working life centre will encourage worker participation in decision-making, and in any experiments that fall under the broad heading of industrial democracy. This is a complex and controversial area, and one that is generating a very lively debate in union, company and government circles. I don't propose to enter that debate at this time, but I am sure that the QWL centre will help to promote and popularize methods of humanizing work and eventually giving workers some say in how the work place is run. I don't anticipate any successful transplanting of the European models of industrial democracy to Canada, but I see no reason why employers and unions can't join with us in a tripartite study of this whole question, with a view to developing a form of worker participation tailored to our needs and traditions.

The expansion of the advisory services of Labour Canada on such matters as safety and the quality of working life will supplement the activities of the QWL and occupational safety and health centres. My department has just undergone a decentralization process that will enable our regional offices to provide such advice and help more quickly and conveniently.

The voluntary code of good industrial relations practices will give employers and workers a manual of desirable standards by which to judge their own performance. In Canada it could help to standardize good labour relations policies, starting with an ungrudging acceptance of unions as legitimate organizations entitled to proper recognition and respect.

The proposed safeguards against unjust dismissal and withholding of wages are intended for the protection of workers who don't belong to a union. So are the proposals on flexible hours of work, sick leave, maternity leave, bereavement leave and other benefits that organized workers have achieved through collective bargaining.

Paid educational leave was adopted as a Convention of the International Labour Organization, and endorsed by the Canadian Labour Congress. It is an objective I heartily endorse. This is a benefit enjoyed so far in Canada only by some profession

such as teachers and doctors. The government believes that Canadian workers in all occupations should be entitled to such sabbaticals, to regenerate themselves or to move into new careers. We have launched a fact-finding study to determine its feasibility and implementation.

Pensions are becoming one of the major sources of labour-management friction. A debate is now raging whether all pensions should be inflation-proofed -- that is, indexed to the rate of inflation. But workers are starting to demand other improvements too, such as full vesting rights, portability, and the right to joint management of pension funds. These are all potential trouble spots, and to the extent that we can remove or alleviate them through legislative action -- perhaps in improving existing pension benefit standards -- to that extent will we reduce possible conflict in the work place and at the bargaining table.

IMPROVING COLLECTIVE BARGAINING

The next three initiatives in the 14-point program are directly aimed at improving the process of collective bargaining, by strengthening its legal framework, improving its services, and speeding up procedures that are now hampered by long delays.

Basically I believe the collective bargaining system in Canada is sound and workable; but, if it isn't periodically revised and kept up to date, it can become rusty and less responsive to changing needs.

Some of the problems that have become acute in labour-management affairs in recent years can be traced to such defects of age and inflexibility. Delays in processing certification applications, for example. Delays in processing grievances. The rising costs of these and other quasi-legal procedures, which are becoming a severe financial burden, particularly for the smaller unions.

The three initiatives intended to correct these problems are these:

- *promotion of broader-based bargaining;*
- *amendments to Part V of the Canada Labour Code;*
- *improved conciliation, mediation and arbitration services.*

My department has been encouraging a trend toward coalition or industry-wide bargaining for some time. We have made progress toward achieving this goal in the grain-handling industry, and are now working toward the establishment of coalition bargaining in air transportation. We have had it

for a quarter century in the railway industry, where it has proven to be a tremendous stabilizing force. We see this kind of broadly-based bargaining as the forerunner of a much-needed rationalization of the bargaining system in Canada, to reduce its fragmentation and develop common norms and standards.

Among the proposed amendments to Part V of the Canada Labour Code are the following:

- Appointment of additional vice-chairmen of the Canada Labour Relations Board, to speed up handling of certification applications, and complaints of unfair labour practices.
- Granting of interim certifications, and imposition of first agreements, where necessary.
- Provisions to enable unions to combine or regroup for the purpose of certification.
- Broadening of CLRB powers to enforce decisions in such areas as unfair practices, and illegal strikes and lockouts.
- Wider Ministerial powers to appoint arbitrators and set time limits for filing of their awards, and also to apportion fees, expenses and other costs more equitably.

- Imposition on unions of a duty to give fair representation to their members, and to allow for the processing of complaints against unions for not carrying out their responsibilities.

It is not necessary to expand on these points. They are all self-explanatory, and will go a long way, in my view, to streamline the legal and quasi-legal aspects of our labour relations system.

Our plans for improving conciliation, mediation and arbitration services take the form of improved recruitment and training, to ensure a high level of competence as well as an adequate supply of these specialists. The speedup in the arbitration process provided for in the labour code amendments will help eliminate the delays that have undermined the effectiveness of the grievance procedure. As well, we are looking into possible ways of reducing the costs and the excessively legalistic nature of grievance handling, which have given rise to much criticism by the participants.

IMPROVING THE LABOUR RELATIONS SYSTEM

We come now to the third sub-group of initiatives, four in number, that are intended to improve the structure and operation of the labour relations system and to foster a sense of joint responsibility in making it work.

Generally speaking, these have the ultimate objective of toning down some of the more aggressive and disruptive features of the adversary system on which our labour-management relations are based. As long as we are engaged in sharing a finite pie, and as long as a bigger slice for one party means a smaller slice for others, we are going to have disagreements over its division. But there is surely room for co-operation as well -- in preserving the financial health of our economy and of its component industries from which we all derive our sustenance.

The labour movement has indicated its willingness to move toward a system based more on co-operation than conflict. That was the message implicit in the CLC's Manifesto adopted at its last convention in May 1976. We may disagree about the specific proposals contained in that manifesto, but we must certainly welcome the CLC's avowed willingness to enter into a tripartite consultative mechanism for dealing with national economic and social issues.

In recent speeches, I have attempted to debunk the myth of "big labour" that is all too prevalent in Canada -- and the accompanying myth that the labour movement is too powerful. The truth is precisely the opposite. We have a labour movement in Canada that is not strong; because it embraces only a third of the work force; and because it is split among more than a hundred unions and many thousands

of bargaining units. Weak, above all, because it has not been accorded the respect and the role of equality that labour movements have gained in other countries.

When labour is barely tolerated in our society, when it has to struggle for every advance in its members' living standards, it is not surprising that its reaction should be aggressive. It is not surprising that labour has come to distrust business and government and the media, and to conclude that, if it does not fight for its members, no one else will.

It is long past time that we stopped ignoring the labour movement, and brought it into full partnership status with other social and economic institutions. By doing so, we will be eliminating some of the most negative and objectionable effects of our adversary system of industrial relations -- and taking an essential step toward a more stable and co-operative relationship and a more productive economy.

The four initiatives we propose to encourage that development are these:

- *greater educational facilities and opportunities to assist labour leaders (and potential leaders) to increase their skills and knowledge in all areas of labour relations;*

- legislated safety and health committees at the plant level, in which workers will participate with management in making the work place safer;
- establishment of a collective bargaining information centre;
- creation of a national consultative multi-partite forum in which labour can join with business, government, consumers, farmers and other interest groups in helping to solve common problems.

Our unions have limited resources to devote to their educational programs, and, while many of them are doing a commendable job with the resources available to them, there is a need to supplement labour education and expand it both in quality and quantity.

Our support for that kind of improved labour education would call for the creation of a national centre with satellite regional centres, and a program of instructor and staff training, specific skill and higher level courses, and special programs to reflect the diversity of the labour movement. Additional grants would be provided to set up university courses in labour education, and to give fellowships and scholarships to aspiring union members wishing to develop their leadership potentialities.

We are convinced that this expanded labour education program would make it easier for the labour movement to fill the more active role that it should have in the functioning of our society.

The establishment of joint safety and health committees at the plant level would involve workers directly in an important aspect of their working environment. By providing a forum for workers and employers to share responsibility for safety, such committees will not only supplement the efforts of the proposed national centre, but will serve as a testing ground for extending worker participation to other areas of plant operation.

The collective bargaining information centre, which we hope to be functional later this year, is the product of discussions with labour and management dating back to 1975, and was one of the priorities set by the now defunct Canada Labour Relations Council. Both parties expressed dissatisfaction with the information available for bargaining purposes. They said it wasn't adequate, timely or reliable. Different sources of statistics tended to produce different sets of figures and different interpretations of their data.

They felt that a single agency set up for that purpose could pull together information from various sources

and make it available to the parties. Having a tripartite involvement, the data would be accepted by everyone concerned, and would form the basis of more orderly negotiations.

Of the 14 points in our program, the national multi-partite consultative forum is the one that has attracted the most publicity. Hence there is little need to describe its purpose or intended structure. I should state, however, that we do not see this as a decision-making body along the lines first proposed by the CLC. We envisage it rather as a prestigious national body with broad consensus-reaching abilities, and with considerable influence on the major decision-makers in both the public and private sectors, as well as the general public.

This multi-partite forum will also provide a sort of umbrella under which a number of bi-partite or tripartite sub-groups could concentrate on specific problems in such fields as labour affairs, housing and unemployment.

We are holding continuing talks with the interest groups to be represented on this body, and hope to have it operational before the year is over.

This concludes my listing of the 14 points in our program, and my necessarily sketchy explanation of the rationale for each of them. You will agree, I'm sure, that taken together they represent one of the more ambitious undertakings ever initiated by the federal government to

help people and deal with people problems. As I have indicated, my officials and I have consulted with the provinces, and will continue to do so in recognition of their major responsibilities in labour affairs.

It is vital that all Canadians understand fully what we are trying to achieve.

If I have helped to get that message across to you, and if you in turn can pass it along, then we will all be doing our part to help make the Canadian work environment better, safer, and more productive for all of us.

CAI L
-S77

INFORMATION

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

TO THE

CONSTRUCTION SAFETY ASSOCIATION OF ONTARIO

CHATEAU LAURIER HOTEL

MAIN DINING ROOM

12:30 P.M. EST

OTTAWA, ONTARIO

MARCH 28, 1977



I was pleased and honoured to receive the invitation from your Association to address you on the occasion of your annual meeting. I was particularly encouraged that the invitation expressed an interest to hear more of our proposed Canadian centre for Occupational Safety and Health. This occasion gives me the opportunity to elaborate the Government's determination as expressed in the Speech from the Throne last October to strive for a better working environment for Canadians. These initiatives have become known as the "14 Point Program".

To succeed in these endeavours we will need the support and the active involvement of many people from both labour and industry. Only through this participation can we derive the maximum benefit from most of the measures that we are proposing.

Many federal politicians, myself included, sometimes are hesitant about venturing into addressing areas of activity that are not primarily under federal jurisdiction. But on this particular occasion I offer no apology for dashing in where angels might not tread. I firmly believe that the proposals contained in our "14 Point Program", some of which I will touch on later, are of importance to our industrial prosperity and their consequences will be to the benefit of working Canadians everywhere.

An outstanding characteristic of our era has been the very rapid and sustained rate of technological development within virtually every branch of industry; few more so than in construction.

This has been strongly influenced by two important factors. The first is the strong commercial pressure to improve technological efficiency. The second is the significant change in public opinion as to what is acceptable or unacceptable in terms of every day working life, more particularly in the physical work environment. Nor are these two notions necessarily incompatible.

Canadians at work have a fundamental right to an environment that neither damages their health nor imperils their safety. Occupational safety and health are basic to the fulfillment of the working individual. They constitute an important element in the maintenance of reasonable employee-employer relations, not to mention their contribution to productivity and profitability.

During recent years, as a very interested observer of, and at times an active participant in the labour-management scene I have come to the conclusion that constructive labour-management relations are difficult to achieve without tangible evidence of action to improve and to maintain the highest possible standards of occupational safety and health in the work place. This is a normal function of management. **The success of your industry in** achieving substantial reductions in their occupational accident rates is clear evidence of what can be accomplished when there is a conscious desire to do so and an appropriate program developed to bring this about.

As you know the better employers in this country

as well as organized labour have become increasingly sensitive to the influence of working conditions on the well-being of the individual as well as upon the efficiency of the plant, business or industry. More and more workers and the public are questioning the necessity of continuing to tolerate conditions at work which produce such baleful effects upon our people and upon the operation of our enterprises.

Adequate solutions to these problems have not yet been found but leadership towards cooperative action in their resolution is now a priority requirement. Leadership rather than control is a much more effective way to obtain the involvement of people and their commitment to desirable objectives.

Governments at all levels are faced with many difficulties in attempting to deal with these issues of broad social concern. There is no shortage of basic legislation in this field among all the jurisdictions. Several provinces in the past year or so have taken positive action to strengthen their policies and to improve their organizational capacities. Here in Ontario, there is that sound and contemporary legislation referred to as Bill 139. I understand that this is the foundation of more comprehensive legislation that I am sure will become a landmark with respect to occupational safety and health matters in this province.

Since receiving your invitation, I have been taking a closer look at your industry. Construction is the oldest industry in the world and it still uses the oldest craft trades known to men.

I would ask you to note that I said the "oldest industry" - the oldest profession, well, that's another thing. It logically follows, therefore, that from its vast experience which goes back to the beginnings of time, that the construction industry has a lot of know how that can be used for the benefit of others who work. For example, bearing in mind the ratio of such injuries to the work force, it is a fairly reasonable assumption to make that the first industrial foot injury came about when man first started placing one stone on top of another. I am sure many of you will know and have noticed that if you do place one thing on top of another and don't do it carefully, it often falls off. But in this case, history does not record for us whether the first unfortunate victim came from Babel or Giza, but it does record on the walls of the pyramid at Giza the compensation he would have been paid for his injury.

Construction sites, as you all well know, are notoriously hazardous by the very nature of their operation, the constant movement of materials, frequent changes of workers as the various trades move to their next location in progression, continual alterations in the site environment as the construction progresses and, in addition, each situation complicated by the vagaries of the weather. Only by good planning and the vigilance of everyone on site, can these hazards be overcome. The conscientious efforts made by many contractors prove that it can be done.

Your own association is well noted for its publicity and educational efforts. Although these have an important part to play in the field of safety, they cannot of themselves achieve much substantial progress in the prevention of accidents. This can only come about by the effective application of safety principles

continuously on the job. Your association has made great strides in this regard by getting out on the job and searching out the problems, by bringing people together to solve the industry's problems and by publishing many well conceived practical research publications for the benefit of the industry.

Unlike some industries, the activities of your industry are to a large extent an open book. The work is usually carried on out in the open for all to see. Not only is it on view to the casual passer-by, but many considerate contractors provide bays, windows and viewing platforms. From these the sidewalk supervisors can view the proceedings and air their vicarious experiences with their neighbours. On a more serious note, however, safety officers of my Department in our new headquarters building, have been very impressed with the efficiency that they have been able to see on the neighbouring construction sites.

Having said that, I must add that the national injury statistics for the construction industry are frightening. The number of persons employed in construction in Ontario is around 200,000. According to your own figures, the total loss value attributable to accidents in 1976 is slightly in excess of \$400 million - that is, two thousand dollars annually for each employee.

Over the last ten years, out of a total work force average of 8,134,000 for all Canada, 514,000 were employed on

construction work. During that same period, industrial fatalities in Canada have averaged 1,666 for each year. Of these 224 occurred in the construction industry. In other words 6.6 percent of the industrial work force accounted for 19.2 percent of the fatalities. A worker in construction is three times more likely to be fatally injured than a worker in other industries.

I have often spoken about the aggressiveness of each side of industry in its dealings with the other. The subject I have just mentioned surely is deserving of some of that same aggressiveness. This time in a positive vein, for without an aggressive policy, fatalities and injuries are going to continue to rise - and increased costs along with them.

You in Ontario have done much by your philosophy that the starting point for improving conditions must be at the earliest planning stages of any construction project. You have seen to it that the owners, architects and engineers have become involved in establishing controls. Your research and development department has participated in preparing a policy charter for the professional engineers in Ontario aimed at safety in the design and structures, its intent to set out responsibilities towards construction safety of professional engineers. This action is to be applauded but is it sufficient? I believe that we should now more than ever get more people involved in having a say in improving the conditions they meet on their work sites, whatever they may be.

The technical aspects of your work are well developed, even allowing for the rapid change in technological advancement to

which I have already referred. The industry has applied all these techniques well towards the betterment of site conditions and to the finished construction. Although the technical aspects and their contribution to better safety and health on the work sites are important, more important is the personal attitude towards safety that is engendered on the job. The majority of accidents do not arise from technical faults and failures, but are due in the main to the human element. In order to achieve real progress, each firm must have an effective safety organization working through an established policy and capable of having participation from all segments of the enterprise. It is towards just such cooperative activity that much of our "14 Point Program" is aimed. Two of these proposals are especially pertinent to this general subject.

One of the principal elements is the creation of a Canadian Centre for Occupational Safety and Health which was announced by the Government in the Speech from the Throne at the opening of Parliament on October 12, 1976.

The Centre is seen as a place that would promote the concept of a safe and healthy work environment and the attainment of physical and mental health of all working people. It would encourage federal, provincial and territorial jurisdictions to use appropriate suasions and sanctions for the establishment and maintenance of high standards of occupational safety and hygiene appropriate to the Canadian situation and compatible with recognized international standards. Although primarily concerned with in-plant working conditions, the Centre would act in collaboration with environmental authorities.

To effectively serve the interests of Canadians at work - and that includes all of us who have jobs or professions of any kind - I believe the proposed Centre should have these basic characteristics:

- . an autonomy permitting it to report directly to Parliament through a Minister of the Crown;
- . a governing body representative of federal and provincial government agencies, labour, management, scientific and professional organizations, universities, and the public;
- . a structure consisting of a board, an executive, scientific and technical advisory committees and staff;
- . autonomy and multilateral and multidisciplinary participation assuring a high profile and ease of access for interested parties, and the capability to take a firm stand of its own on any specific issue;
- . although financed by the Federal Government, a provision for provincial, institutional or industrial underwriting in whole or in part of particular research projects, surveys or services of special interest to them;
- . no authorization to promulgate or enforce mandatory standards;

. no mandate to consolidate existing occupational safety and health research and service activities across the country into one all-encompassing centre, but rather to serve as a pivotal point through which agencies and institutions active in this field could co-ordinate activities and exchange information.

A centre so conceived and constructed would be a truly national institution that would be capable of providing service to and for all jurisdictions. Such a centre undoubtedly would facilitate the work of existing federal and provincial authorities responsible for remedial programs in this field.

A planning group under the chairmanship of my Department and with considerable assistance from the Department of National Health and Welfare has been charged with the responsibility of expounding this concept with interested parties across the land and this has now pretty well been concluded.

During the past two to three months some 27 or 28 meetings have been held in several major cities at which representatives of provincial and territorial departments and agencies, associations of employers, technical and scientific societies, the medical profession, the academic community and other diverse interests to discuss the role of such a Centre and its relationship to existing facilities both private and public. I have been much encouraged by the splendid response that this proposal has received in all parts of the country, and still more consultation is being planned over the next two to three weeks.

Altogether some 280 associations, **trade unions** or other interests have been consulted in this way. **The planning** group is now engaged in preparing a report on their findings and recommendations with respect to the creation of this Centre. I expect that the matter will come up for the consideration of the Cabinet during the month of April.

The other proposal upon which I wish to comment relates to greater worker participation by encouraging the formation of joint Labour-Management Safety and Health Committees in the work place. These committees would be assisted by the provision of technical and other advice by **Labour Canada** officers. In this regard our proposals closely resemble those that have been enacted within the last few months in Ontario.

We see these committees as providing a useful and very practical expression of the desire of workers to participate more actively in the resolution of problems that they encounter in the work place. In my view, this desire on their part should be encouraged, and the necessary mechanism should be put in place that will channel these efforts into the most productive results. It may be recalled that for the past 35 years or more my Department has been promoting the establishment **of labour-management committees** in industry generally, and with some success.

There is a growing acceptance by responsible people that a worker has the right and the duty to be aware of matters related to safety and health at the work place and to work in a

safe and healthy environment. There is an equally growing recognition that the worker must be fully involved in the development of programs designed to achieve this and that the employee must then comply with the safe working procedures that are developed.

This will require a partnership of workers and management in a responsible body that will establish a medium within which true worker participation will be encouraged. The prime benefits to be obtained from this partnership will be the more effective control and resolution of safety and health matters and more participative, responsible and stable labour-management climate.

To this end, I am developing with my officials a comprehensive program for the establishment and operation of labour-management safety and health committees in federal industries, according to predetermined criteria. We will provide services to these committees so they can perform their key functions more effectively.

The members of these committees, their duties and responsibilities, are similar to those described in the Ontario and other provincial legislation. We will be introducing legislation that will provide for this activity within those industries that come under federal jurisdiction for these purposes.

Our legislative proposals will include a provision whereby workers who consider themselves to be exposed in the course of their employment to an imminent danger may withdraw from work under

such circumstances. We understand the concern of employers with respect to the possibility of frivolous or capricious use of such a provision, but I have sufficient confidence in the maturity and intelligence of the average Canadian worker that this will not become a common occurrence.

I believe it essential that employees be not required to work at processes or places which they believe to be inherently unsafe or unhealthy. When one thinks of this, it is equally unsatisfactory, or ought to be, to the employer that his employees continue to work under such conditions. Inevitably these circumstances, if they are valid, will lead to accidents, personal injuries, material loss, damage to plant and all the rest of it. In fact our present federal law, Part IV of the Canada Labour Code, makes it a duty for employees to remove themselves from such places. Now they will be given the right to do so, and there will be safeguards against discrimination through suspension, dismissal, loss of wages, and so on.

I confidently expect that issues of this sort will be speedily resolved by the procedures we will establish. These will be matters of mutual concern to management and to workers and the primary responsibility will be on them to settle the problems. Joint safety and health committees may well play a role in the resolution of such questions and Federal Safety Officers may exercise their powers in this regard. As a final stage we are proposing that

an unresolved issue can be referred to the Canada Labour Relations Board.

Although I would like to take about each of the other interesting parts of the "14 Point Program" I do not think there is time for that today. Perhaps it would be sufficient to say that work is going forward concurrently on each of them. It will be apparent from the nature of these subjects that diverse approaches are required, that resource requirements as well as the pace of development and utilization will vary considerably. However, I think it is fair to say that every one of the following, if properly developed, will have some positive contribution to make towards improving the quality of working life - surely that is something worth striving for!

- . a national quality of working life centre;
- . expansion of existing advisory services to help locate and treat potential problems before they become serious;
- . a voluntary code of good industrial relations practices;
- . legislation to prevent unjust dismissal, ensure payment of wages, and add other basic minimum standards for the protection of unorganized workers;
- . an effort to implement the ILO Convention on paid educational leave;
- . improvement of government policies on pension rights and benefits so as to reduce the

friction caused by this issue at the bargaining table;

- . promotion of broader-based bargaining;
- . amendments to Part V of the Canada Labour Code;
- . improved conciliation, mediation and arbitration services;
- . greater educational facilities and opportunities to assist labour leaders (and potential leaders) to increase their skills and knowledge in all areas of labour relations;
- . establishment of a collective bargaining information centre;
- . creation of a national consultative multipartite forum in which labour can join with business, government, consumers, farmers and other interest groups in helping to solve common problems.

By supporting and participating in your province's similar activity, your association will advance these objectives. To the extent that through your research, publicity and educational services you will be able to assist us in our objectives, I trust, indeed I know, you will do so. We are counting on your continuing active interest and collaboration.

CA 1 L

-S77

INFORMATION

CHECK AGAINST DELIVERY

Government
Publications

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

ON

"A CANADIAN QUALITY OF WORKING LIFE CENTRE"

TO

THE ONTARIO CATHOLIC SUPERVISORY OFFICERS ASSOCIATION

1977 ANNUAL CONFERENCE

ROYAL YORK HOTEL

TORONTO, ONTARIO

TUESDAY, MARCH 29, 1977

7:00 P.M. EST



I want to talk to you tonight about one of the initiatives being taken by the federal government to improve Canada's labour relations system. I refer to the Quality of Working Life program, one of the 14 points which I announced in the debate on the speech from the throne.

The Quality of Work Life is a relatively new theme in Canadian society - a theme that reflects the different attitudes and aspirations of a new generation of workers who are unwilling to spend one third of their active life-times as human cogs in inhuman machines.

The demonstrable economic advantages of the application of Scientific Management to production process have long obscured the social costs which do not appear on the corporate balance sheet. That great father figure of classic economics, Adam Smith was one of the first advocates of the principles of Scientific Management. He proposed that the conventional process of pin making be broken down into eighteen specialized operations, each performed by an individual who would need little education or skill. The resulting jobs would be extremely simple, and of course highly repetitive, but since the cost of pins would be reduced substantially, Smith was convinced that society would benefit from this "rationalization" of the production process.

That was in 1768. It seems likely to me that if Adam Smith were to visit us today, although he might be discouraged at our rejection of many of his economic theories, he would be mightily pleased by our devotion to his principles of pin production.

The inherent problems of the machine-efficient society have been under continuing observation and analysis by behavioural scientists since the end of World War II. Almost universally they have been concerned about the dehumanization of the worker which seemed to be a necessary and unavoidable cost of productive efficiency. In recent years some of them have concluded, through experimentation, that the dehumanization of the worker, and the widespread failure of our society to deal with human needs on the shop floor is costing us very dearly.

One of the earliest efforts which was aiming at restoring and increasing the extent of workers' contribution to the determination of production processes and their improved efficiency was made by the Tavistock Institute for Human Relations in the late 1940's and early 1950's when they started observational studies in coal mines. Eric Trist was a leading figure in those studies which showed the superiority of composite type organization of production and which also showed that it was feasible to vary the forms of work organizations within a given set of limited technical constraints.

Traditionally, the miners had what Trist called their

"responsible autonomy". They worked in pairs and did a short length of the coal face from start to finish and therefore used all the skills necessary for that. They chose each other and supervised themselves almost entirely and could decide to enlarge the groups in case of difficulties. Partial mechanization, however, eliminated that pattern.

The new method (conventional long wall) had shifted to groups of 40-50 men working shifts in specialized jobs paid different wage rates and ordered in a standard sequence of operations. Supervision had become a distinct role in itself. The new method was aiming at optimizing the technical system but a lack of co-operation between shifts together with absenteeism and rigidity of the system of external control did not achieve the anticipated success.

The Tavistock workers then started to search for groups of miners that had adapted to the new technological environment by creating their own social system. They actually found groups formed by self-selection which took responsibility for allocating members to tasks and shift. Goals were set for the finishing of a whole production cycle; members had the same basic pay and divided bonuses equally.

The composite work group was found to have clear advantages over the work structuring associated with the long

wall method that had been introduced previously. Satisfaction was better and less frustration was expressed by the workers; production standards were higher and absenteeism and accident rates were lower than in the factory production approach.

Quality of Working Life "action-research" projects are widespread in Europe and are beginning to spread in the United States. Many of you will have read about the revolutionary automobile production plant built by Volvo in Sweden. The objective of this new-style assembly line is to make it a servant rather than master of the work force. Quality of Work Life experiments are now underway in several Canadian enterprises, and I hear about new ones beginning almost every week. Canadian enterprises applying Quality of Working Life concepts in some of their establishments include airlines, mineral processing plants, pulp and paper plants, lumber mills, government agencies, grocery chains, manufacturing and oil refineries.

The principal objective of Quality of Working Life initiatives is to balance the contributions of men and machines in the production process. Under-utilization of human capability is as expensive and unprofitable as the under-utilization of machines. The conventional signs of a lack of concern for and under-utilization of workers in an enterprise are high turnover, absenteeism, excessive use of sick leave, excessive scrap, low quality production and bad labour relations. Rich settlements at the bargaining table are not an effective antidote to these problems. Money is a partial substitute, at best, for a lousy work life.

Since I announced the federal government's intention to develop a national Quality of Working Life program, officers of my Department have examined similar initiatives in Britain, France, Sweden, Norway and the United States. On the basis of this examination, and taking into account the distributed responsibility - amongst governments - for the administration and improvement of labour relations in Canada, I have asked the provincial departments of labour to join with my Department in the creation of a federally chartered, non-profit organization to promote and encourage Quality of Work Life experiments throughout Canada. The federal government will contribute sufficient funds to staff a small Quality of Work Life Centre and provide some financial support for its program. The Centre will promote, facilitate and coordinate activities aimed at improving the quality of working life throughout Canada.

Ideally the Quality of Work Life Centre would, in one way or another constitute a dimension of a larger, multipartite relationship of governments, organized labour, business and other important institutional representatives of the community. In any event, I would expect the Centre to carry out its mandate under the direction of a multipartite council (it might be called "The Canadian Council on Quality of Working Life") which would include representatives of organized labour, the business community, the federal and provincial governments, and the academic community. I am pleased to report that Professor Eric Trist, who has been a driving force in Quality of Work Life experimentation in Britain, Europe and the United States for two decades, has agreed to act as a technical advisor to the Centre and to the Council when these are established.

Although the ultimate destiny of the Quality of Working Life Centre will be in the hands of its Council, those in my Department now working on its development have concluded that it should have the following characteristics - and I share their views:

- 1) It should be advisory rather than regulatory; participation in Quality of Working Life experimentation by employers, unions and employees must be voluntary.

- 2) Unlike other forms of industrial democracy, Quality of Working Life involves the direct and voluntary cooperation of employees on the shop floor; it should not therefore be construed as a dimension of, or as leading to, other forms of industrial democracy.
- 3) It should aim to achieve increased job satisfaction and improved productivity; both are seen by my Department as of critical importance to the future development of Canadian society.
- 4) The Centre should not distinguish between organized and unorganized employers in the promotion and encouragement of Quality of Working Life experimentation.
- 5) The Centre should cooperate with and support other institutions and organizations interested in Quality of Working Life, e.g. provincial governments, employer associations, unions and universities.

There will be a natural tendency for many people to pass Quality of Working Life off as "just another fad". Why should governments in these belt-tightening times promote and use the

the taxpayers' money to support yet another "cloud nine" proposition? I may not be convincing, but I will try to explain why Quality of Working Life seems to me a horse we should put our money on.

For a variety of reasons we have been concerned for some time in Canada about the state of industrial relations in the Canadian workplace. Some of these reasons relate on the one hand to the effectiveness of the collective bargaining process (e.g. increased length of negotiations, increased use of third-party intervention, more special laws, more illegal strikes, more contract rejections by the workers, etc.). Other reasons are related to the attitudes and behaviour of individual workers in response to the working conditions surrounding their jobs - to which I referred earlier, absenteeism, turnover, etc.

Inflation has of course, played a part in increased pressures on the collective bargaining process; and the controls program, while it may have relieved some of these pressures has unfortunately added others. We can expect that reducing inflation will eliminate part of the negative effects on industrial relations but it will not be sufficient. Indeed, the very evolution of the structure and aspirations of the Canadian labour force during the last decades, as well as of the production processes in enterprise, are also a major source

of workplace difficulties. These difficulties cannot be eliminated by tinkering with laws, or even by improving the supply and qualifications of mediators. That is why I am committed to a program for improving the quality of working life, not from without, but from within, not from the top down, but from the bottom up.

It must be recognized that the establishment of such a program may raise some difficulties: first from the union side, where the traditional approach of organized labour with respect to improvements in employer-employee relations has involved an adversarial approach through its negotiation of collective agreements. Heretofore, the union movement has been very hesitant to participate in experiments in the reorganization of work, which it sees as a threat to collective bargaining. Management too has been concerned that such initiatives might eventually modify its rights to organize work in the enterprise.

I am convinced that the reservations of union officials can be overcome through involvement in Quality of Working Life experimentation on a personal level. Traditionally organized labour has taken the position that the place to seek solutions to its problems is at the bargaining table, and that improvements could only be achieved by hard bargaining in an atmosphere of

confrontation and threatened sanctions. Such an approach, by definition, excludes solutions to problems which require joint and interdependent initiatives by unions and management, and by employees and their supervisors.

Quality of Working Life is not an alternative to hard bargaining. There are important dimensions of employment relations which are best settled at the bargaining table. But there are others, and many of these vitally affect the satisfaction or lack of satisfaction which people get out of their work, which must be sought in another process. Union leaders who are involved in Quality of Working Life experiments have found another way to contribute to the welfare of the employees they represent.

Despite the natural concern of employers to control both the macro and micro dimensions of production processes, many are beginning to recognize that workers on the shop floor have access to information and a capacity to develop solutions to production problems which are simply not available to managers. They are also becoming increasingly aware that emphasis on the master-servant relationship of supervisor and employee is counter productive in a classless society which has been nurtured on democratic values. Those who have tried the Quality of Working Life approach to problem solving in the

workplace have discovered that worker satisfaction and increased productivity are in most cases opposite sides of the same coin.

The Quality of Work Life approach to job satisfaction and improved organization effectiveness is, of course not a panacea for all the ills of industrial relations in Canada.

The 14-point program on which we embarked last fall includes

- a national occupational safety and health centre;
- a national quality of working life centre;
- expansion of existing advisory services to help locate and treat potential problems before they become serious;
- a voluntary code of good industrial relations practices;
- legislation to prevent unjust dismissal, ensure payment of wages, and add other basic minimum standards for the protection of unorganized workers;
- an effort to implement the ILO Convention on paid educational leave;
- improvement of government policies on pension rights and benefits so as to reduce the friction caused by this issue at the bargaining table.

Each one of these initiatives will, I believe, make an important contribution to the improvement of the processes of industrial relations in this country. As Minister of Labour I would have been delighted to discover a single dramatic solution to our difficulties. Unfortunately very few problems in our society lend themselves to simple solutions.

I am attracted especially to the Quality of Work Life approach because it comes to grips with some of the emerging values of Canadian society - values which its younger generation understands very well but which are difficult for older generations to grasp. My children, and yours, do not expect to turn off at 9 and turn on at 5. If we continue to treat the majority of the work force as a kind of machine fodder in an economic war, we shall fail them.

AIL
-S77

INFORMATION

CHECK AGAINST DELIVERY

Government
Publication

NOTES

FOR AN ADDRESS BY

T. M. EERLEE

DEPUTY MINISTER OF LABOUR

TO THE 25TH ANNUAL CONFERENCE

INDUSTRIAL RELATIONS CENTRE

MCGILL UNIVERSITY

MONTREAL, QUEBEC

MARCH 30, 1977

10:00 A.M. EST



Much as one would like it to be otherwise, one has to admit that the central fact of industrial relations in Canada has been for some time and continues to be the anti-inflation program. No remarks on the "Objectives of the Federal Government in Charting the Course" at a Conference devoted to the "Direction of Labour Policy in Canada" can ignore it.

I hasten to acknowledge that the program is a complex of several measures - price and profit controls, compensation controls, monetary and fiscal policies. For this discussion, I am thinking primarily about the slice of the program known as the compensation controls - those things which have the effect of restraining the outcome of collective bargaining, of regulating its results so that they fall into an area of reasonableness in the total economic context of Canada.

When the economic history of these times is written - particularly the chapters on its labour history - I am certain that the perspective will be somewhat different from that which frequently obtains today. No doubt the historians will describe the program as the most prominent feature of the industrial relations landscape during the last half of the decade of the seventies. They will chronicle that many observers and practitioners of collective bargaining viewed it as, at best, a nasty

anomaly - a sort of political and economic gigantic meteorite that crashed for no good reason into our otherwise happy midst - that would soon be left behind as time and/or circumstances took Canada on into the lovely lotus land of status quo ante October 1975.

But I suspect the historians will, in fact, view the program - and many, many events associated with it that I shall try to touch on later - as constituting (to carry forward the topographical metaphor) a major watershed, an almost continental divide in government's role and inter-action with the parties in industrial relations - in short, that it was what happened when government finally decided that collective bargaining had to serve the general interest more effectively, as well as the specific interests of its participants.

I suspect these same historians will explain how the program followed almost inevitably upon the failure over a long period of time of the collective bargaining system to discipline itself, at least in key areas, coupled with the coming together of a number of economic circumstances which produced dangerous inflationary pressures. No doubt they will go on to describe how, having served its purpose, this form of intervention by the state was replaced by new modes of understanding, participation and co-operation between state, management

and labour, with the state playing a much more positive (but not controlling role) than heretofore, the results being reflected in self-discipline and more responsible and constructive relationships. In this context, they will see the anti-inflation program as having been a part of a continuum, but only a temporary part. You may say that I am dreaming. Perhaps so. But this is the direction in which our policy is moving.

X X X X X X X X

When I began working in the industrial relations field, conventional wisdom had it that bosses (they were thought of as bosses then; today union leaders are thought of as bosses and company bosses are described as leaders) were tough and powerful, negative about unions and any encroachments upon "management's rights", able to win in most industrial relations confrontations, generally regarding workers merely as factors of production. Sometimes employers even succeeded in living up to these images.

One was conscious that the general public attitude tended to support benign authoritarianism by employers in the workplace and to disapprove of the idea of unionization and collective bargaining.

Union leaders, members and supporters generally, saw unions as relatively weak, as constantly fighting, first for mere toe-hold then for basic survival, and as certainly deserving of a great deal more than they ever succeeded in getting at the bargaining table.

Some of this was reality; some of it was myth. Some of the images have changed; some have not. Some of the realities have changed; some have not.

Until the late sixties, strikes were last resorts, not almost the integral part of the collective bargaining process that they have become. Settlements were modest, although there was regular improvement in real wages. Union organization was difficult; unions did not play a very high profile role in our society unless and until there was violence on the picket line or an interruption of some significant public service.

Where did government fit in all this? Well, it was devoted to industrial peace. It was essentially passive, except where trouble erupted; it was basically neutral. Labour relations legislation was really designed to keep the peace; it was, and is, a set of quid pro quos. You know: employees can organize themselves into a union and the employer must recognize that union, and bargain with it, in return for a prohibition on work disruptions except during a specified period - and so on.

If you were close to the field, you were inclined to the view that the public policy rationale for government involvement in industrial relations generally, and collective bargaining specifically, flowed from three main sources. First, from an effort to enable the individual to participate effectively, through collective action, in shaping his own destiny; second, from the desire to minimize the possibility of employers and/or unions doing serious damage to each other; third, from a concern for the impact of what the parties might do to the public itself in the process of working out or operating their relationship. But government, as I say, was basically neutral, making little active contribution toward the creation, or maintenance, of a collective bargaining relationship.

Above all, government a decade or so ago did not pay much attention to the results of the collective bargaining system. It certainly didn't pay much heed to the possibility that bargaining might not be capable of solving all the real problems in the relationship, nor did it worry about a settlement that might be too low. It was content that settlements were modest; if unions had a lot of power they certainly weren't exercising it to the full and that was reassuring to public policy makers. During the 60's, however, the self perception and the reality

began to change. Levels of militancy began to rise, along with levels of expectation. The state began to alter some of its own neutral or negative attitudes toward unionization. Governments accepted collective bargaining for their own employees. The whole process began to acquire a new aura of respectability. Not only did the bargaining table begin to produce settlements that were unprecedented in relation to former times, but union confidence in the cause and in the strength to pursue it bubbled over into higher levels of work stoppage.

Beginning six or seven years ago, speakers at gatherings like this began to express the view that policy makers ought to be concerned about the acceleration in the size of settlements in collective bargaining. Before long, a minority perception became a general worry. We all know the grounds for it, particularly in the settlement statistics leading up to October 1975.

If the parties shared this concern, they didn't show much evidence. Thus, as too often happens, the problem was handed to government. Was the solution to be found in altering collective bargaining machinery itself - new techniques of dispute settlement, for example? Or in reducing or increasing the power of one or other of the parties? Or in compulsory arbitration? Or in providing

more job security? Or in structural changes that would eliminate whip-sawing and leap-frogging? Apparently not.

In any case, our union friends argued that this was to be expected in a period of rapidly rising prices. Many felt basically that for the first time union members were getting their due - it was more than just keeping abreast of inflation - and if the process ended up altering the whole elaborate hierarchy and structure of wage rates and income shares in the country, so what. Indeed, wasn't the ultimate purpose of unionization and collective bargaining not just to "keep up" but to make fundamental changes in relative positions based upon social usefulness and social justice.

Maybe it would be a better world if the distance between the highest and the lowest were narrowed greatly, if relative positions did change. But the world has never stopped long enough to let this happen in the past. And it didn't do so this time either. So we began to move toward a situation in which all started to run faster and faster simply to keep up - the inflation problem of 1974 and '75.

It was ironical that when government moved to restrain the causes of this situation, the opponents of its policy, in calling for "free collective bargaining", sounded uncannily like early Victorian capitalists who

raised up to a religion the doctrine that nothing should interfere with the invisible hand that was maximizing their position. I don't doubt that just as there was in 1848 and still is a compelling public interest in preventing exploitation of labour so also there is a public interest in ensuring that collective bargaining is not destructive of the community. Our task is to find fair and effective ways of safeguarding that public interest.

There were some promising efforts by the parties. Construction employers and unions came together in Ontario, for example, in 1972 and '73 and, motivated by a fear that unionized construction would disappear if something wasn't done to bring settlements in the industry into a region of reasonableness, agreed to guidelines for the 1973 settlements and influenced most of the 250 bargaining tables to accept them.

Then there was the concensus exercise of 1975. Those who took part directly (even union leaders) had no apparent trouble acknowledging that inflation was a problem and that it derived from collective bargaining, among numerous other factors. But doing something about it by forging a voluntary restraint program proved impossible.

In fairness, though, one must concede the psychological difficulty that a trade union movement has with any measures that are seen to put constraints around collective bargaining. After all, the main objective of

unions over the years has been to obtain a rightful place for themselves. Anything which appears to impinge upon that effort has to be opposed vigorously. Indeed, it tends to be an article of faith that a union's activities cannot by definition be harmful to the public interest. But times change; institutions come of age; they begin to create as well as solve problems.

The Canadian trade union movement has been remarkably successful by and large in building a solid place for itself in society and in moving toward its objectives. It has indeed come of age. Dennis McDermott says so when he tells academics and mediators and lawyers and consultants and everybody to get out of their way. Joe Morris says so in another way - a constructive way - in his call for tripartism.

Any assertion that unions and collective bargaining now play a large role in Canada, has to be modified by the acknowledgement that there are many places where they have not, and perhaps cannot, exert their influence. There are still many abuses and problems that unions cannot deal with - insecurity; unemployment; bad occupational safety and health situations; exploitive working conditions in marginal industries; inadequate opportunity and unequal treatment. Even the power of the state has difficulty coping.

Canadian trade unions have been eminently successful at the level of the bargaining table; less so in other roles, particularly where joint action at provincial and national levels is required. They demonstrate considerable capacity to come together and act jointly when they see a threat that must be fought; but they have had limited success uniting and working with other partners in society toward the development and implementation of new policies and programs. This has simply been because their fundamental structure and role creates a preoccupation with the day-to-day task of representing their members vis à vis employers and gives much less importance to the big picture. Even where national leaders seek to influence local decision-making so that it adds up to a reasonable national aggregate, they have great problems in securing support and response because basic authority rests at the local level. Ours is probably the world's most decentralized and democratic trade union movement (if the word movement should be used at all). This was undoubtedly a principal cause of the failure of the concensus exercise.

I suppose that all of the foregoing is but a very long preamble leading up to an assertion that the anti-inflation program was inevitable. But where does policy go from here?

Given that collective bargaining and industrial relations must operate in the general interest, what will be the future role of the Federal Government? Clearly, when the Anti-Inflation Act ceases to apply, the statutory power of the Federal Government to intervene in respect of collective bargaining decisions throughout the private sector in every part of Canada will end. Responsibility for collective bargaining and its results will return in strictly legal terms at least to the 11 jurisdictions. The Federal Government, through the Department of Labour, will be responsible in respect of banks, broadcasting, communications, airlines, railways, grain handling, trucking, shipping, etc. - a jurisdiction covering some 550,000 workers across Canada. Each of the 10 provinces will be responsible for the rest.

However, our position is that Federal concern must and will go much farther. Since the Federal Government has a basic responsibility for the health of Canada's economy and since industrial relations are one of the most significant factors therein, the Government cannot escape responsibility in connection with ensuring that industrial relations in Canada are effective and constructive - this, in co-operation with the provinces. I don't suppose I need in this audience to build a lengthy defence of my position. You will appreciate that this does not and cannot constitute or contemplate invasion of provincial jurisdiction.

What are the most effective means of playing a Federal Government role that would, on a national basis, restrain the potentially damaging effects of collective bargaining and at the same time seek to improve the climate and practice of industrial relations in Canada? In making this determination, much depends upon one's feeling about the capacity of labour and management to function together and make decisions well within a framework of general reasonableness without requiring detailed statutory direction. In short, will controls in one form or another be an inevitable requisite of the future? We don't think so.

Our view in the Department of Labour is that given an opportunity to understand the realities and the finiteness of Canada's economic possibilities, given a substantial responsibility for Canada's economic health and new opportunities to exercise that responsibility, given support of various kinds that would be directed toward the encouragement of reasonable decisions, given the opportunity to participate more meaningfully in shaping their economic destinies in their places of employment, and above all given a better working environment through the vigorous resolution of safety, health and other problems, Canadian workers and unions will respond - and so will Canadian employers.

All this is the fundamental rationale for the Minister's and the Government's 14-point program. Let me list what we are in the process of developing and implementing, hopefully with the co-operation of labour, management and provincial governments. It would be too much to try to categorize each of the initiatives in relation to the various objectives I cited a moment ago, but I am sure you will see that there is a direct connection.

- We are developing the Canada Centre for Occupational Safety and Health; our hope is that, operating autonomously under a federal-provincial-management-labour board, it will see that we all have the necessary research and scientific background to be able to be aware of the hazards arising from substances and processes in the work place and to know what to do about them before health and lives are threatened.
- We are working actively toward the establishment, on the same basis of autonomy and co-operation, of a national quality of working life centre that would encourage greater employee participation and, in essence, promote a whole new style of relationship at the work place.
- We are attempting to develop a code of good industrial relations practices that would encourage the extension of collective bargaining as a modern and appropriate

method of regulating work place relationships and seek to change attitudes generally away from traditional authoritarianism and confrontation.

- Legislation will be sought to give to unorganized workers the same protection against unjust and arbitrary dismissal as exists for workers under collective agreements.
- Additional labour standards will be brought into effect, including several basic rights like sick leave, bereavement leave, protection of wages, that are commonplace under collective agreements; of course, these and protection against unjust dismissal can only be legislated within Federal labour jurisdiction.
- We are exploring means of implementing the new I.L.O. convention on paid education leave.
- Our department is exploring actively with the other departments responsible, issues relating to pension rights and benefits in order that ways may be found to reduce tensions and conflict at the bargaining table.
- We are going to be promoting structural change like broader-based bargaining in order to reduce the fragmentation which tends to exacerbate conflict.
- There will be a number of amendments to Part V of the Canada Labour Code ranging from the creation of more

effective means of enforcing the law to providing for first agreement arbitration where total impasse occurs.

- We are taking steps to improve conciliation, mediation and arbitration services through recruitment and training programs; for example, we shall be taking on staff fairly soon about a half dozen promising conciliation recruits who will be put through an intensive training program and who will ultimately be available, we hope, to augment the rather short supply of impartial professionals in the field.
- We are placing great emphasis on a labour education program, now being discussed with the trade union movement, that would see the Federal Government giving substantial support to the establishment and maintenance by the unions of a national labour studies centre and regional centres to assist union leaders (and potential leaders) to increase their skills and knowledge in all areas of labour relations; it would also provide support for university educational and research activities in industrial relations.
- Safety and health committees will be required at the plant level and will be the means of sharing responsibility for ensuring a good working environment; to a degree, they may be a testing ground for extending worker

participation to other areas of industry operation.

- An agency - the Collective Bargaining Information Centre - is being set up to help the parties acquire the data needed for rational decision-making by acting as a clearing house for existing data sources and by encouraging the improvement of data and the filling in of gaps.
- Finally, we are active promoters of the idea that Canada requires means of bringing representatives of the main decision-makers in the economy together under the auspices of senior ministers on a regular basis for informed exchange of views about short-term economic prospects and what the economy can sustain in terms of collective bargaining settlements, profits, investment, taxes and so forth; this would change the current situation in which decision-making, particularly collective bargaining, has to fly blind, so to speak. As has happened in Western European countries, this kind of approach, if adopted in Canada, would, over time, encourage far more rational and informed decision-making than has been possible in the past. We also anticipate that there would be a number of two or three-party sub-groups operating under the umbrella of a national consultative forum to deal with industrial relations and other specific subjects.

Finally, I do not minimize the problems associated with the approach we are taking, nor all the pitfalls in the way of effective implementation of the initiatives I have referred to. We will not succeed unilaterally in making them work. We will require much co-operation from labour, management and the provinces. But I think it will be forthcoming. At the same time, I don't claim that we have a monopoly on the action that is occurring in this field. There are imaginative initiatives being pursued or contemplated by the provinces; and, what is even more significant, employers and unions in many industries in many parts of Canada are busy developing new kinds of constructive relationships, an inventory of which would reveal a very encouraging situation. Taken altogether, I really think we are going to see a much more satisfactory era in industrial relations in Canada.

-S77

INFORMATION

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

AND

MEMBER OF PARLIAMENT FOR HAMILTON EAST

TO

"ADVENTURES IN CITIZENSHIP"

SPONSORED BY

THE ROTARY CLUB OF OTTAWA

CHATEAU LAURIER HOTEL
OTTAWA, ONTARIO

MAY 9, 1977

1:00 PM

People of my generation sometimes say, as Albert Einstein did, "I never think of the future. It comes soon enough."

Your situation is quite different. The future is unfolding before you. It is here and now, and there is no doubt that you are concerned about it. Therefore I want to speak about the future, particularly the future of this country. I will also speak about the world of work, where you soon hope to find your place.

Canada is a young country. It is also a country which has always accepted challenges and exhibited self-confidence and faith in the future. These are virtues which young people possess in great abundance. We will need plenty of both as we continue to build a nation over half a continent.

You are here today to participate in an Adventure in Citizenship. Canada itself is an adventure, in the best sense of the word. As an adventure, Canada has been, and still is, a commitment to the ideal of harmonious co-existence between different language

and cultural groups. But it is more than an ideal. Canadians of both official languages, and Canadians of different cultures, are destined to remain united if we want to maintain our place in the world.

Just as you represent the generation which will assume leadership tomorrow, Canada represents, in its fashion, tomorrow's world. Increasingly, that world will be characterized by interdependence.

For example, certain regions of the globe, such as the oil-rich Middle East, are capable of generating an energy crisis if they decide to reduce their shipments abroad or increase their prices substantially. On the other hand, much of the world depends on Canadian, American and Australian grain surpluses. A marked increase in prices in some industrialized countries, such as the United States, has an impact throughout the world.

The same interdependence conditions the pursuit of national security. Small and intermediate nations feel they can no longer protect themselves.

We are all prepared to modify to a degree, our national sovereignty in favour of solidarity beyond national boundaries. Alliances of the NATO type are the first in history to survive during peacetime.

Economically, the European Common Market is perhaps the most striking example of trans-national solidarity. Thirty years ago, a German or a Frenchman who proposed the adoption by France and Germany of common economic and political institutions would have run the risk of being called a "traitor". Yet the European Parliament of Strasbourg is to be elected by universal suffrage next year. This could well mark the beginning of European federalism.

More than a century ago Canada established a political system that has stood the test of time. The "Fathers of the Common Market" -- Adenauer, Schumann and de Gasperi -- recommended the Canadian model for Europe in the wake of World War II. We have accomplished in Canada, on an expanse of territory that is even vaster than all of western Europe, that free

circulation of people, ideas and commodities that would be one of the basic objectives of a federal Europe.

Thanks to our federal union, we have avoided the violent nationalist clashes that have steeped Europe in blood on three occasions -- in 1870, in 1914-18 and 1939-45. Certainly, there have been serious differences between our two main language communities, but these conflicts have been solved politically, without recourse to bloodshed.

That is why, in spite of the present crisis in Canada, our experience can serve as an example to the rest of the world, which is striving for orderly and creative interdependence. It is the Canadian experience that is bound to be emulated in future. It is inconceivable that Europe and other parts of the world will take the path of the American melting pot rather than the Canadian mosaic, with its respect for different languages and cultural diversity.

I would like to turn now to some other matters which are closer to my responsibility as Minister of Labour.

In a few weeks you will all be completing your plans for post-secondary education, or starting your career.

I am sensitive to the problems which you face. The present high level of unemployment is particularly difficult for young Canadians. It is small consolation, I realize, that Canada is not the only country which is experiencing high unemployment. This is a weakness which has been affecting all the industrial countries over the last year or two. Among all the industrial countries Canada is probably the most vulnerable to the recent slowdown in economic activity. Canada must absorb each year the highest proportion of new workers in the labour force.

For the 10-year period ending in 1980, the population of working age will increase by 30% in Canada. This is the greatest increase of any of the industrialized countries. The United States is in second place with an increase of 18%, followed by Italy with 8%, France 6%, and West Germany and Great Britain with only 2%.

The new entrants, for the most part, will be women, who increasingly are seeking jobs outside the home, and young people like yourselves. Canada is indeed fortunate to have this great increase in human resources; it is unfortunate, however, that many who want to take a job are at the present time unable to find one. The recent budget of my colleague, the Minister of Finance, is aimed at dealing with this problem. The major objective of the budget is to create an environment for a steady growth of output and the creation of new jobs, not only to reduce unemployment but to accommodate a growing labour force.

In addition to creating new jobs, the government is also concerned about the work environment itself, and the need to improve relations between workers and their trade unions on the one hand and employers on the other. We are now trying to work out, in consultation with labour and management, a 14-point program to improve the work environment and increase job satisfaction for all Canadians.

You are probably aware of background of labour-management relations which has led us to adopt this program. Over the last few years, a crisis of confidence was developing in our labour relations system. There was growing public disapproval of the high incidence of strikes, lockouts and other industrial disputes, and the attendant increase in public inconvenience and lost man-days of production. The tensions inherent in our adversarial labour-management system had clearly escalated to unacceptable levels.

Workers' dislike of the authoritarian structure of most industries was reflected in low morale, absenteeism, and high turnover rates. Too many jobs carried health and safety risks that could, and should, have been avoided.

The failure of employers and unions to correct these faults through bilateral dealings led to more and more government intervention, and to reliance on third-party mediators, conciliators and consultants. The system continued to struggle under the growing strains, and public confidence continued to erode. The basic freedom of collective bargaining was clearly threatened.

The federal government, as well as most provincial governments, came under public pressure to intervene more strongly, even to institute some form of compulsory adjustment of labour-management differences.

These pressures eventually reached a stage where the essential freedoms enjoyed by both labour and business to work out their own problems were seriously endangered.

Together with my officials in Labour Canada, I held out against drastic solutions. Our faith in the free collective bargaining system was unshaken. We knew that it was undergoing strains, that is was in need of more flexibility and reform, but we were confident -- and still are -- that it is by far the soundest and most workable method of reconciling the interests of labour and management.

So we looked closely at those aspects of our labour relations system that were giving the most trouble, and we devised measures aimed at improving them.

Quite often, when we delve into the origins of labour-management disputes, we find that, while the immediate issue may be wages, the underlying malaise arises more from less tangible factors. Job dissatisfaction. Boredom. A pileup of unresolved grievances. Lack of proper safety or ventilation or heating. Inadequate lunchroom facilities. Resentment of a dictatorial form of supervision.

Some of these matters are susceptible to correction at the bargaining table, but many others are not. They flow out of the structure and nature of the work place itself, the way work is organized and performed. To the extent that the bargaining process is unable to cope with such frustrations, they tend to find outlets that are often harmful and disruptive.

If we can make the work place more pleasant and make jobs more rewarding, we will remove many of the abrasive tensions that cause antagonism between workers and employers, between union and management. This in turn will create a better atmosphere for collective bargaining and productivity.

I do not have the time today to describe the entire 14-point program, but I would like to mention two or three of them.

First, we want to establish a national occupational safety and health centre in cooperation with the provinces. We see it as a centre for researching and developing improved safety measures and standards, testing potentially dangerous materials and processes, providing technical services and advice to employers, unions and governments -- and eventually producing a national safety code.

The issue of industrial safety and health is being given a high priority. We feel that it is a prerequisite to improving our labour relations system. Workers who are worried about their physical well-being on the job, and who see little outside concern for their safety are not inclined to co-operate in other efforts to reduce industrial conflict or to improve productivity. Work safety has to be the bedrock of any program aimed at improving the quality of working life.

Second, we want to establish a quality of working life centre. This will encourage worker participation in decision-making, and in any experiments that fall under the broad heading of industrial democracy. This is a complex and controversial area, and one that is generating a very lively debate in union, company and government circles. I don't propose to enter that debate at this time, but I am sure that the QWL centre will help to promote and popularize methods of humanizing work and eventually give workers some say in how the work place is run. I don't anticipate any transplanting of the European models of industrial democracy to Canada, but I see no reason why employers and unions can't join with us in a tripartite study of this whole question, with a view to developing a form of worker participation tailored to our needs and traditions.

Third, I would like you to know about some proposals which are intended to help the labour relations system work better, and foster a sense of joint responsibility for it.

Over the last year or two, I have attempted to debark the myth of "big labour" that is all too prevalent in Canada, and the related myth that the labour movement is too powerful. Just the other day, Joe Morris, President of the Canadian Labour Congress, expressed his view on the real weakness of the labour movement in Canada, and I agree with him.

Part of the problem is that labour has not been accorded the respect and the role of equality that labour movements have gained in other countries.

When labour is barely tolerated in our society, when it has to struggle for every advance in its members' living standards, **it is** not surprising that its reaction should be aggressive. It is not surprising that labour has come to distrust business and government and the media, and to conclude that, if it does not fight for its members, no one else will.

It is long past time that we stopped ignoring the labour movement, and brought it into full partnership status with other social and economic institutions. By doing so, we will be eliminating some of the most negative and objectionable effects of our adversary system of industrial relations -- and taking an essential step toward a more stable and co-operative relationship and a more productive economy.

The government proposes to encourage that development by establishing greater educational facilities and opportunities to assist labour leaders (and potential leaders) to increase their skills and knowledge in all areas of labour relations; and also by encouraging the establishment of safety and health committees at the plant level, in which workers will participate with management in making the work place safer.

These references to the 14-point program to improve the working environment are necessarily brief, but I hope that they assure you that the jobs which

you take after you leave school should be more satisfying, more meaningful in every sense. If we all do our part, we can keep Canada competitive, and we can help make the Canadian work environment better, safer and more productive for all of us.

CAI L
-S77

INFORMATION

CHECK AGAINST DELIVERY

Government
Publications

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

ON

"A BETTER DEAL FOR CANADA'S UNORGANIZED WORKERS"

TO THE ANNUAL MEETING OF

THE CANADIAN ASSOCIATION OF TEMPORARY SERVICES

EDMONTON, ALBERTA

12 NOON

SATURDAY, MAY 28, 1977



I want to take this occasion to speak about a controversial initiative which I have launched, together with my officials in Labour Canada, as part of the 14-point program to improve the work environment. This is a set of proposals for improving the working conditions and the job security of unorganized workers in this country.

It is controversial because some employers have exhibited a knee-jerk reaction against it. And some trade union officials are sceptical about the government doing anything for unorganized workers which might make trade unions less attractive as the champion of workers' rights. I can sympathize, to a certain extent, with these employers and these trade unionists. But I think you will agree that the improvements to the Canada Labour Code, which I want to speak about, are both timely and necessary.

Two out of every three Canadian workers are still unorganized, without unions to represent them. Although we now have more than three million union

members in the country, we have twice as many who remain outside union ranks. In the federal jurisdiction there are some 500,000 workers of whom about half are unorganized. This elementary fact of industrial life is often overlooked. When we speak of "labour" in its collective sense, we usually think organized labour. Unions provide the structures and procedures, and furnish the leadership, through which the interests of their members can be advanced and protected. They have the resources to deal with governments and their agencies, and to ensure that the needs of their members are kept in mind when policies are formed and legislation drafted.

Unorganized workers don't have this protection. They have to deal individually with their employers, and individually with governments. They are not, however, entirely on their own. The labour movement of this country is more than a collection of trade unions. It is a social movement which is committed to improving the working conditions and the distribution of income among Canadians, including unorganized workers. It also has an outstanding record for advocating and

supporting social programs, such as medicare, retirement pensions and regional economic expansion, for the benefit of all Canadians.

Governments, too, have taken an active role in protecting the unorganized. I am referring to the labour standards codes of the federal and provincial governments which provide for the protection of wage levels, hours of work, general holidays, overtime premiums, and paid vacations.

The protection of unorganized workers is by no means a secondary function of my department, or of the provincial departments of labour. It is, if anything, a more important duty because the organized sector has, to a significant degree, the collective strength to look after its own interests.

I have been a consistent advocate of a strong labour movement in this country. I am on record so often in this regard that some of you must be tired of hearing it. Part of my compulsion for speaking out is my conviction that trade unions have made such a positive contribution to Canadian society.

Therefore, I have no hesitation in repeating a reference to the Report of the Special Senate Committee on Poverty. I included it in a speech to the Union-Management-Community Conference at the University of New Brunswick at Saint John two years ago. The Senate Report, you will recall, observed that the ranks of Canadians at, or below, the poverty level were populated substantially by unorganized workers. The Report recommended that there should be easier access to labour unions for workers, particularly those in low-wage industries.

The organization of the unorganized is also a continuing concern of the labour movement. The Canadian Labour Congress, for example, has urged the federal government to establish a special committee to examine both the Canada Labour Code, and the Canada Labour Relations Board requirements and procedures, and come up with recommendations to make it easier for the working poor to join unions. To use the CLC's words, this committee would "identify the very real impediments which act as an effective barrier for workers to join unions."

At this point it might be well to ask the question: Just why is only one-third of the Canadian labour force unionized? Just why is it that two out of every three Canadian workers do not have the umbrella of protection of belonging to a union?

The unorganized are mainly among white collar workers, women, and those in small establishments. These small units -- in which most of the unorganized white collar employees are found -- do present particular organizational difficulties.

Wholesale and retail trade, finance, insurance and real estate, the service industries -- these are the least-organized industrial groups. The number of workers in the service industries -- but not including public administration -- increased by 2.2 million in the period 1966 to 1976, or an increase of 68 per cent.

The overall increase in the labour force in the period 1966 to 1976 was 2.8 million, or about 39 per cent. Clearly the service sector has been growing faster than the total labour force. But the increase in union membership in the service sector has failed to keep pace with the growth of employment in this sector. In 1975 6.2 per cent of employees in the private sector service industries were members of trade unions, compared with 5.2 per cent in 1966.

I have already mentioned that small units are obviously more difficult to organize. In addition, they are not as attractive to organize because the per capita organizing cost is higher.

Having said that, we should be fair enough to look at another factor -- the attitudes, sometimes the fears, of management.

Employers in industries, businesses and professions such as those I have mentioned complain that they simply can't afford unionized employees. They take the position that the business couldn't

stand the higher wages. They also regard unions as an interference in their operation.

One of the most common complaints -- perhaps more properly labelled a myth -- is that small-sized businesses and industries, say those with 200 or fewer employees, would go under if their employees joined a trade union.

Let us examine this proposition. Perhaps some small businesses would fold as a result of unionization. But, these businesses might well be in difficulty regardless of a decision by their employees to join a trade union. There are probably more businesses that go under due to inefficiency, a lag in technological improvements, poor management, lack of marketing expertise, increase in non-labour expenses, dwindling markets and so on. Certainly no one can realistically expect governments to determine policy on the basis of that small segment of the business-industrial community that is inefficient, marginal or hardly viable regardless of union organization.

To hold back the growth of union organization in order to protect inefficient firms can scarcely reflect progress and responsibility.

Let me repeat that I cannot agree with the sort of complaint I have outlined -- most certainly not when we are speaking in the context of more equitable distribution of income.

What community is well served, I would ask, when a significant proportion of its workforce receives little, if anything, more than the minimum wage? This is certainly the case in some areas of Canada. How can employees improve themselves and their potential in this situation?

We should also recognize the contribution which wages make to the health and prosperity of the business community. John Bulloch, President of the Canadian Federation of Independent Business, made this point in an address to the Montreal Board of Trade. This was two years ago, but his point is just as valid today.

Mr. Bulloch said, "Because of the purchasing power it creates, small firms in every community in Canada have a vested interest in income distribution...."

Mr. Bulloch went on to point out that the working poor are wage earners who, through lack of experience or education, are working at the minimum wage and trying at the same time to raise a family. They have always been of concern to the business community.

As Minister of Labour, I was heartened to hear of this concern. I would like to see this expression of concern among businessmen complemented by a more open, receptive attitude to the question of organization. At least businessmen should not, in their own and in the community interests, reject unions organization out of hand as being a threat.

I would like to turn now to the Canada Labour Code, and the amendments which we are proposing in order to improve the job security and the work environment of unorganized workers.

If you look at the Canada Labour Code, which my department administers, you will note that it is divided into five parts. Only one of them, Part V, is specifically designed for organized workers. Part V is intended to formalize and facilitate relations between unions and employers. It provides for the certification of unions to represent groups of workers. It sets forth collective bargaining procedures. It provides for the resolution of disputes through conciliation and mediation, and as a last resort through strikes or lockouts. In short, the government acts more as a referee or a mediator in the union-company relationship, leaving it essentially to the parties to work out the ways and means of protecting their separate and joint interests.

The other three operable parts of the Labour Code are intended to compensate for the unorganized workers' lack of collective bargaining rights.

Part I imposes a set of fair employment practices, prohibiting discrimination in employment

on the basis of race, religion, colour and national origin.

Part III establishes hours of work, minimum wage rates, and general holidays, as well as providing for maternity leave and severance pay, and for advance notice of terminations.

Part IV sets standards for ensuring the safety of employees in their work.

(Part II was previously concerned with women's rights in the work place. These rights are now covered in other parts of the Code.)

I am proposing certain additional measures to help improve the working environment for unorganized workers. I am not departing radically from previous government policy. I am rather carrying on a long-established tradition. I am proposing to broaden to some extent the protection already afforded by the Labour Code.

Most employers understand and agree with the need for legislated work standards, and even for the imposition of a minimum wage. But some employers resent this government intervention. They argue that this kind of legislation is based on the assumption that employers can't be trusted to treat their employees fairly. They object to laws that assume that unorganized workers would be exploited and underpaid if wages and working conditions were left to employers to decide unilaterally. They prefer to let the market determine wages and conditions.

I suppose that the same objection could be made to all laws that regulate the conduct of business and commercial activity, to all laws prohibiting fraud and usury, all laws against stock manipulation, all limits on industrial pollution, all laws aimed at protecting the interests of consumers.

I certainly don't believe that a majority, or even a large minority, of employers are anti-social.

The vast majority would deal decently and ethically with their employees even if there were no legislative compulsion to do so.

But let us be realistic and admit that the self-policing abilities of the business and industrial world are somewhat less than airtight. Let us admit that some employers have been known to mistreat their employees.

Employers who voluntarily adhere to good practices, if not surpass them, should also welcome the establishment of improved minimum standards. The standards help to prevent cutthroat competition from outfits that would undersell and underbid more respectable firms by the expedient of operating under sweatshop conditions.

Most employers realize that a decently-treated work force is more productive than one whose morale is low and whose attitude toward the employer is hostile and mistrustful. It is not solely a matter

of conscience that dictates managerial benevolence, but a matter of sound business practice as well.

Very few employers require the goad or threat of legislation to ensure that they measure up to the standards imposed by the Canada Labour Code. Nevertheless, there are still employers admittedly very much in the minority, who abuse their employees -- pay them at rates below the minimum wage, deny them premium pay for overtime, or cheat on the minimum paid vacations and paid holidays they are entitled to by law.

Some employers violate our labour laws, either because they are ignorant of them, or because they take a calculated risk they won't be caught. The inspectors of my department who check on adherence to the regulations are kept busy, and the enforcement provisions have to be invoked more often than I would wish.

Again, I want to emphasize that I am talking about a small percentage of the total number of employers -- but even a small percentage is too many.

I would ask you, then, to put yourself in the position of a man or woman who goes to work for such an employer and who cannot rely on the protection he would receive if he belonged to a trade union and had his wages and conditions guaranteed by a collective agreement. His or her rights as an employee are limited to those contained in the labour legislation.

If employed by an industry that comes under federal jurisdiction, the employee knows that his standard work week is forty hours. He can work up to eight hours more at overtime rates. The employer cannot compel him to work longer hours unless he does so by permit, or in an emergency situation.

The employee must be paid a minimum wage, periodically adjusted by the government.

He must be given an annual vacation with pay of at least two weeks every year after completing his first year of employment.

He is entitled to eight general holidays per year.

In the event of termination, he must be given ample advance notice -- up to sixteen weeks if he is one of a large number to be terminated -- and if he has five years or more service, severance pay amounting to two days' wages for each year completed.

If the unorganized employee is a woman, she is protected by two additional clauses of the Code. One is based on the equal-pay-for-equal-work principle which stipulates that employers cannot pay employees different rates of pay for the same or similar work on the basis of sex. Another provision gives her entitlement of seventeen weeks' maternity leave after she finishes her first year of employment.

The Canada Labour Code also imposes on employers the duty of making sure that their employees are not subjected to working conditions that would endanger their health or

safety. Safety officers assigned to enforce Part IV of the Code are empowered, if they find a workplace poses imminent danger to employees, to order its closure until corrective measures are taken.

These are the principal rights and minimum benefits which companies must confer upon their employees under the Code. There are others, such as a prohibition against firing an employee because part of his wage has been garnished.

I hope that when you listen to this brief accounting of our worker rights and minimum standards that you share with me a feeling of pride in Canada. These basic standards are a part of the Canadian way of life which we should all want to protect, and improve.

Nevertheless, there are deficiencies. There are obvious loopholes that need to be plugged, provisions that need to be strengthened. And there are a few employment conditions that have been neglected.

We must realize that attitudes toward labour relations practices tend to change rapidly. What was acceptable five years ago may be considered unacceptable today. Part III of the federal code has not been substantially altered for five years. In the kind of fluid and evolving work environment we have in Canada, that is too long for protective legislation to go without an overhaul.

I now have nearly a dozen proposed amendments to Part III ready for tabling in the House of Commons. The one that has received most publicity so far is the protection to be afforded unorganized workers against unjust dismissal. I will discuss that in more detail in a moment. Let me first, however, touch on some others that, while not as controversial, are no less important.

I am proposing to extend to all workers the right to up to three days' paid bereavement leave in the event of a death in the immediate family. This is a benefit that has become standard in collective agreements. Its extension into the unorganized sector is long overdue.

I am proposing a standard that would protect workers from dismissal who are absent from work for a period of twelve weeks because of sickness or injury.

The maternity leave provision is to be amended to prevent the dismissal of a pregnant employee who has less than 12 months service.

The vacation clause is to be improved to entitle workers to three weeks' paid vacation each year after six years of service. Two additional holidays with pay will be granted, Boxing Day and one other probably Heritage Day.

Believe it or not, we have had cases where employers have refused to pay wages earned by their employees, so we are adding a section requiring the prompt and regular payment of wages.

The formula whereby employers may average hours of work in certain situations involving maximum hours and overtime has unfortunately been misused, so we will stop leaving such arrangements to their discretion. They will in future have to obtain a ministerial permit to average hours of work.

Some of these changes will no doubt annoy some employers, but I feel sure that the majority who believe in treating employees fairly will have no difficulty. Most of them already grant these, or improved benefits to their employees voluntarily.

The proposed protection against unjust dismissal will be breaking new ground in Canada outside the federal public service. It will give the unorganized worker a procedure for appealing against a dismissal he believes to be unjust. Several other countries, including Britain, West Germany, India and Australia, have enacted such legislation. So far it has been omitted from our federal and provincial labour laws. I think the time has come to extend this elementary right to non-union workers.

It will simply give them a mechanism for appealing alleged unjust dismissal which will be the equivalent of the protection unionized workers now enjoy under their collective agreements. All agreements under Part V of the Labour Code make it mandatory for contracts to contain a means of settling grievances over dismissal. It is only fair that we demonstrate the same concern for the unorganized worker.

I realize that the terms "just" or "unjust" are sometimes difficult to define. However, we have a vast body of arbitral jurisprudence on dismissals

in the organized sector. They contain precedents that will enable arbitrators to determine whether a firing is warranted or not. Each case has to be decided according to its circumstances, but the application of the principles of fairness and common sense have established pretty clearly what constitutes just or unjust dismissal.

The Canada Labour Code leaves this determination entirely to the employer in unorganized shops. In giving such workers the right to appeal under the Code, we are confining it to dismissals imposed as a disciplinary measure or for alleged incompetence, not those actuated by a lack of work or discrimination, which is appealable under the fair employment and human rights legislation.

We are trying, in other words, to discourage employers from firing people unfairly and arbitrarily. But we are not interfering with the employer's right to discharge an employee for incompetence.

The specific details of the appeal procedure have not been completed, but this is essentially how I expect it will operate. A dismissed employee will have the right to demand a written statement of the reasons for dismissal. If the employee is not satisfied and feels he has a legitimate complaint, he may take it to an officer of the Labour Canada branch in his locality. The officer will try to arrange a settlement through conciliation. If this effort fails, and if the complaint is considered to have merit, the Minister will then refer it to a third party for final and binding resolution. We don't have the detail on how the third party will be constituted. Possibly we will set up a three-member committee, along the lines of the appeal committees under the Unemployment Insurance Act. The third party, or the committee, would rule on complaints of unjust dismissal, including dismissal of employees who refused to do "unsafe" work.

It could order the employee's reinstatement with back pay to the time of dismissal. It could assess an amount of compensation in lieu of reinstatement. Or it could rule against the employee.

I had expected protests from some employers against this particular proposal, but I was somewhat surprised and dismayed to receive objections from a few trade union officials. Their argument is that, if unorganized workers are given this safeguard against unjust dismissal, it will take away an important incentive for them to join a trade union.

I can understand the union leaders' point of view, even though I cannot agree with it. As a Minister, and as a department of labour, we have a responsibility to all workers, not just those in organized labour. We cannot justify holding back a right and a benefit as fundamental and as badly needed as this one.

The labour movement is the strongest advocate of higher minimum wages, and of improved benefits and safety measures for the unorganized, even though such legislation lessens the incentive to join a trade union. This is a commendable and unselfish attitude for unions to take. I am sure that trade unions will recognize the positive aspects of this initiative, and they will come around to support this measure as well as other labour standards.

In addition to these and other proposed amendments to the labour standards section of the Code, I fully expect that some of the other initiatives in the 14-point program will prove of great value to unorganized as well as to organized workers.

I am thinking specifically of our proposed code of good labour relations practices. I am thinking of the national occupational safety and health centre, and the quality of working life centre. I am thinking of the increased government funding of labour education.

I am thinking about the task force I am setting up to examine the whole question of paid education leave for workers.

The manual of good labour relations practices will serve as a voluntary code for employers of both union and non-union workers, establishing a set of desirable standards that all employers will be encouraged to meet.

The two national centres are designed to improve the quality of working life and the health and safety of work performed by all employees. Of special interest to the unorganized will be the legislated safety and health committees at the plant level. These will give employees a forum to participate with management in making the workplace healthy and safe. Setting up such committees will probably be more difficult in unorganized plants, but the difficulties can and will be overcome.

Most of our increased support for labour education will be funnelled through the Canadian Labour Congress and other labour centres, to help them train professionals, and increase their efforts in labour history. But we will be reserving some funds and other forms of assistance to give unorganized workers opportunities to improve their skills and knowledge.

Paid education leave, in my view, is one of the most vital proposals in the 14-point program. I want to find ways for organized and unorganized workers to enjoy this benefit. I will have more to say about this initiative on another occasion.

A group of workers in need of special improved measures are those engaged in part-time work. A recent study commissioned by my department, called "Part-time Work in the Canadian Economy," dispels many myths about part-time workers. It found that the majority of them have family responsibilities, and that only a small percentage are moonlighters. The report distinguishes

between the regular part-time worker who has an on-going relationship with an employer, and the casual worker who moves frequently from job to job. It found that the part-time sector has been growing at a faster rate than the general work force, and that many service industries are dependent on this kind of employment.

Regrettably, some employers of part-time workers have not been treating them fairly, have instead been holding them to minimum rates of pay with few, if any, fringe benefits. This is a matter we have to be concerned about. Part-time workers have just as much right to legislative protection as do full-time non-union employees. One solution might be to require a pro-rating of benefits, pension contributions, and seniority rights. Another possibility might be to prescribe wage and benefit minimums tailored to the requirements of particular groups of part-time workers.

We need to know more about the needs and interests of this rapidly growing sector of our working force. But in any event I understand that my department's

new initiatives will be broadened to take the concerns of part-time workers into account.

In describing all these pending legislative changes and initiatives, I have necessarily had to deal superficially with many of them, and have not fully explained the ramifications of others. I hope, however, that as sketchy as my exposition has been, it has sufficed to give you not only an understanding of what we intend to do to help protect unorganized employees, but the motivations for these changes.

You may still not agree with some of my proposals. You may doubt the need for some of them. You may think that some are excessive or misguided. But I can assure you that each one of them responds to a genuine need -- to the perceived flaws and failings in our existing legislation, and to the need to adjust minimum employment standards for the majority who are unorganized in the light of progress made on behalf of the minority who are organized.

Experience has shown that these measures are justifiable not just on humanist grounds alone, but in terms of their contribution to a more satisfied and more stable work force. Minimum standards and benefits do much to overcome important sources of dissatisfaction. This leads to better productivity, lower rates of absenteeism, and a more harmonious relationship between employers and employees. These are objectives that all Canadians share, even if they may not agree on the most appropriate means of achieving them.

As a government, we listen to the views and criticisms of all those affected by our laws and regulations, but ultimately we must make the decision on how and what and when to legislate.

The results of the important revisions made to the Canada Labour Code almost a decade ago have been most gratifying. The same spirit of meeting workers' needs and keeping pace with a rapidly evolving work environment animates the new legislative proposals I have talked about today. I am convinced that they, too, will stand the test of time and that

much less than another ten years will elapse before their worth is appreciated.

I trust that I will have your co-operation, and the co-operation of employers throughout Canada, in making these new standards work for the benefit of all Canadians.

CAI L

-S 77

INFORMATION

CHECK AGAINST DELIVERY *Government
Publications*

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

ON

LABOUR EDUCATION

TO THE

14TH ANNUAL CONVENTION
CANADIAN VOCATIONAL INSTITUTE



Mount Allison University
Sackville, New Brunswick

Wednesday, June 1, 1977

9:30 a.m.



I would like to speak to you today about some of the "forgotten people" of the Canadian education system. What I have to say is in direct support of your conference theme -- "Performance 77".

As professional members of vocational institutes and community colleges, you are well aware that there is scarcely an occupation in Canada which does not have its special training courses, or its diploma and degree programs.

But there is one occupation that has been seriously neglected by our education institutions, that of trade union leader and trade union technician.

Just a week ago I signed a \$10 million agreement on behalf of the federal government with Joe Morris, who signed on behalf of the Canadian Labour Congress. It will provide \$2 million a year for five years.

I believe this agreement has the potential for establishing in Canada a labour education program equal to any in the industrial democracies.

Under the agreement, the CLC will establish a national labour education centre with satellite centres in each of the regions of Canada.

The agreement will support a program of instructor training, as well as specific skill and advanced courses for trade union technicians.

Additional grants will be provided to set up university courses in labour education, and to establish bursaries for trade union members who wish to develop their leadership potential.

I regard labour education as one of the most important initiatives in the 14-point program for improved labour relations which I announced in the House of Commons last October. This annual convention is an appropriate occasion to bring you up-to-date on these new developments. I expect that many of you will participate as educators in the program.

This is the time of year when tens of thousands of Canadians graduate from our universities, community colleges, and technical and vocational institutes. Fifteen years ago only 25 per cent of our young people entering the labour force had graduated from a post-secondary institution. This year 44 per cent coming into the job market will have post-secondary degrees and diplomas. In another nine or ten years, more than half of our young people will have advanced educational qualifications when they start their careers.

Despite the current unacceptable levels of unemployment, we should all welcome the improved vocational and technical achievement in this country. I don't underestimate the frustration and disappointment which many young Canadians will experience this year after they have studied hard and long to qualify for a job and the job may not be immediately available. I believe that this disappointment will be relatively brief. In any event, our response should not be to cut back on educational opportunities and goals for the next generation of Canadians. Our response must

be to work together to keep Canada competitive and develop the jobs we need. An important element in keeping Canada competitive is to raise the level of job skills in every sector of the economy.

I believe that a high-profile and essential job where we must raise the level of professional training and skills is that of trade union leader and trade union technician.

The world of industrial relations is one of incredible complexity and challenge. Those who rise through the ranks of the labour movement, from the shop floor to the highest elected office in their unions, must possess outstanding qualities -- intelligence, stamina, dedication, courage and oratorical skill not the least among them. Otherwise the rigors and obstacles encountered in the long climb to the top would stop them somewhere along the way.

You may wonder what this observation has to do with labour education. I think it is relevant. When you look at our trade union leaders and trade union technicians and try to analyze what part education played in their advancement, you find that they owe relatively little to the formal education they have received. This is true whether they be high school drop-outs, or community college or university graduates. The education provided by our institutions did virtually nothing to prepare them for their role as union member, or eventually as union officers and specialists. Nor did it give them a prior understanding of the importance of unions in our labour relations system, in the economy, or society as a whole.

This neglect of trade union history and labour education is a serious weakness in a society which supports freedom of association and which recognizes trade unions as having an important role to play in determining the balance of economic power.

A trade union friend of mine tells about meeting a community college class not too long ago. He was asked to speak for a few minutes on the role of trade unions, then engage in a question and answer session.

The first question came from a young woman who said she had taken a job as a cashier in a supermarket the previous summer to help pay her way through college.

"I was only a temporary employee, so why did I have to pay union dues?" she wanted to know.

My friend pointed out she was earning more than twice the minimum wage as a result of a collective agreement between the employer and her trade union.

The bargaining efforts of the union made no impression on the student. As she sat down, she still complained about being "ripped off" by her trade union.

Compare this neglect of labour education with the degree to which our colleges and universities cater

to the needs of industry, and of the various professions. Schools of business administration flourish in most universities, as do schools of medicine and law. It is true that some universities and community colleges provide courses in industrial relations and labour studies, but, with a few notable exceptions, labour education is relegated to a minor place in extra-mural adult education programs.

Trade unions have had to carry almost the entire burden of labour education with their limited resources. There are now some 3,200,000 union members in Canada; and their ranks continue to swell. This growing tide of people entering the work force, having no concept of what unions do and what responsibilities as well as benefits go with union membership, is overwhelming. The lack of basic labour education in the schools cannot be compensated for in the little time available at union-sponsored meetings.

The labour movement makes a valiant effort to give its members at least an elementary grounding in labour history and collective bargaining procedures at weekend seminars and in their union journals. Some unions -- usually the larger ones -- provide more elaborate courses, going as far as possible beyond the basics of union administration and grievance procedure, to give members an insight into the broader economic system in which unions must operate.

Of necessity, local unions must concentrate mainly on officer training courses for activists. They can only promote the leadership talents of those who accept -- or aspire to -- office. This would include courses to improve skills in grievance procedures. More broadly-based courses, on such things as economics, and social security are almost entirely provided by the regional and national labour centres, such as the Canadian Labour Congress and its provincial federations. Again, these are available for the most part, only to the minority of activists. The most promising members

of the locals may be accepted for the special eight-week course provided by the Labour College of Canada, a joint project of the Canadian Labour Congress, McGill University and the University of Montreal. But in terms of the country's total union membership, those who attend and graduate from the Labour College -- even those who get to the weekend or week-long seminars conducted by the CLC and the larger unions -- represent a very small group.

Despite the best efforts of the labour movement, the vast majority of union members remain ignorant of the history, functions, achievements, philosophy, and objectives of trade unions. This is not a healthy condition. It is detrimental, not only to organized labour as an institution, but to our whole society. Unions are democratic organizations, and, like democratic political systems, they depend for their well-being on an informed and involved electorate.

There are at least two other compelling reasons why we should all be concerned about the education of union members and their elected and appointed officers.

The first has to do with the world-wide trend toward industrial democracy -- the move away from managerial authoritarianism toward some form of shared decision-making between employers and employees. Trade unions will need to expand the educational opportunities of their members so they discharge those duties effectively.

The other pressing reason for greatly expanding and improving labour education is tied to the current efforts to develop some form of tripartite economic consultation in Canada. "Tripartism" has unfortunately become as vague and misunderstood a term as "industrial democracy". In essence all it denotes is a system in which business, labour and government co-operate in seeking solutions to the country's economic problems.

There are those who fear that tripartism will lead to a technocratic or corporatist state dominated by "big business" and "big labour". I don't share that view. The role of government would be to make sure that the interests of consumers and others were fully protected, and that Parliament remains the supreme governing body.

One of the preconditions of a successful tripartite system is the kind of educational program that will predispose both union leaders and their members to a fundamental change in their attitudes and their perceptions of society. At the risk of oversimplifying a complicated issue, the present labour relations system is actuated more by the relative strength of the employer and union, rather than by a rational assessment of the workers' needs and the company's resources.

Decades of labour-management conflict have conditioned some trade unions to look upon the employer as an enemy, as someone to be distrusted. To them, tripartism is tantamount to fraternizing with the enemy. They are afraid that it will lead to a betrayal of their interests. To overcome that suspicion, we will need education programs that are much more extensive in scope than any so far provided. Labour leaders in considering the national as well as their own

interest must carry their members with them. Otherwise the agreements reached with government and business will never be implemented at the level of the individual union and bargaining unit.

I do not want to leave the impression that Labour Canada has completely ignored labour education. We have been supplying annual grants to the Labour College of Canada since its inception in 1963. Our contribution has recently been \$25,000 a year. We have been funding the Atlantic Region Labour Education Centre at St. Francis Xavier University for several years. We were involved in the planning and funding of a recent national conference on labour education. We have supplied grants to the CLC for a Labour Studies Centre feasibility study, and to the New Brunswick Labour Education Committee.

Our new approach to labour education is a direct result of representations made to the government by the Canadian Labour Congress. In the course of these discussions we came to the realization that the

contributions made by the federal government and the provinces to labour education have been woefully inadequate. Hence the commitment of the federal government to a much larger investment of tax dollars in labour education. The amount we have committed is admittedly a lot of money, but not disproportionately so in relation to what is spent in training prospective management personnel, and certainly not in relation to workers' needs. The infusion of large amounts of money is required to correct an oversight as quickly as it is possible to do so. It is being given, not as a favour or a handout, but as a matter of entitlement. It is only proper that its expenditure be left in the hands of the CLC, subject only to periodic review by my officials. This applies to about 80 per cent of the funds being granted, with the other 20 per cent going to unions outside the Congress and to groups of unorganized workers.

Finally, I would like to refer briefly to another initiative under the 14-point program, which

is closely related to labour education. This is the proposal to take a serious look at worker education, or paid education leave. My department is about to set up a task force which will examine every aspect of worker sabbaticals and report on the feasibility of this proposal for Canadian workers. I will have more to say on this matter on another occasion.

In conclusion, I cannot emphasize too strongly the importance of a much expanded and improved labour education and worker education program. It is basic to most of the other initiatives and reforms that are being considered in industrial relations. It is a prerequisite to any progress toward a more co-operative relationship between employers and workers, toward the development of industrial democracy in any form, to the success of current efforts to devise a workable system of economic consultation.

I would hope that most people in the labour movement, in government, in business, and in academic circles, would agree with me that our decision to fund a massive enrichment of labour education in this country

and to establish the task force on worker sabbaticals is eminently justified. Personally, I look upon it as a sound investment -- not just in the welfare of workers and the labour movement, but in the social and economic betterment of Canada as a nation.

PA L
-S 77

INFORMATION

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS BY

THE HONOURABLE JOHN C. MUNRO, P.C., M.P.

MINISTER OF LABOUR

ON

BUILDING EMPLOYEE-EMPLOYER RELATIONS

TO

THE ANNUAL GENERAL MEETING

CANADIAN MANUFACTURERS' ASSOCIATION

MONTREAL, CANADA

MONDAY, JUNE 6, 1977

2:00 P.M. EDT

I would like to congratulate the Canadian Manufacturers' Association for including this session on building employee-employer relations in your program theme of "Building Industry-Building Canada". One of the most important areas in which government and the private sector share responsibility for economic performance is the area of employee-employer relations, and so I am pleased to have this opportunity to speak to you.

A week ago my colleague, the Minister of Finance, published a discussion paper, Agenda for Co-operation, which highlights the need for shared responsibility in solving our economic and social problems.

Governments will continue to be under strong public pressure to meet the challenges of the economy and ensure that the costs and benefits of economic change are shared fairly. But there is a growing realization that the achievement of our individual and national goals depends not only on the actions of governments but also on the decisions and efforts of individuals and the institutions of the private sector.

The discussion paper leaves no doubt with respect to the government's commitment to this shared responsibility and the role of the private sector. The paper reasserts

our view that most Canadians want to maintain and strengthen the mixed economy, with the great preponderance of economic decisions taking place in the private sector.

The federal government -- and this is also the case with many of the provincial governments -- is seeking increased and specific consultation with business, labour and other interests in the economic community.

Last October, during the debate on the Speech from the Throne, I announced a 14-point program for improving employee-employer relations, improving the collective bargaining system, and improving the work environment. Since that time, I have met with representatives of labour and management, and with provincial labour ministers, to exchange views on the various elements of this program and enlist their support. I regard this meeting with the CMA as an important part of these continuing consultations.

The 14-point program is directly related to your conference theme. We do not have the time to examine all the points today, so I will focus on the measures we are proposing to improve the structure and operation of the labour relations system. These measures include:

- . *A Collective Bargaining Information Centre, under government-business-labour management, to pull together*

timely and reliable information and make it available to the parties in collective bargaining; and

- . Creation of a national consultative multi-partite forum which will bring together representatives of labour, business, farmers, fishermen, consumers, professionals, co-operatives, and perhaps others, for the interchange of views on issues and policies.*

Two other measures in the 14-point program for improving the operation of the labour relations system include greater educational facilities and opportunities to assist labour leaders and potential leaders to increase their skills and knowledge in all areas of labour relations; and legislated safety and health committees at the plant level to provide a forum in which workers and employers can share responsibility for a sound work environment.

Since I have spoken elsewhere in some detail on the measures we are now undertaking to improve labour education in Canada and on our proposals for plant safety committees, I will limit myself to the Collective Bargaining Information Centre (CBIC) and the national consultative forum.

COLLECTIVE BARGAINING INFORMATION CENTRE

The proposal for a national data centre for collective bargaining is the government's response to a heart-felt need as expressed by both labour and management. It is not a proposal by government to interfere in new ways in the private affairs of trade unions and employers, but an initiative I expect will result in much less government intervention in collective bargaining.

I don't have to remind this audience that confidence in Canada's labour relations system over the last few years has been drastically eroded. Our record for lost mandays due to strikes and lockouts is notoriously bad. In the period 1974-76, the mandays lost due to work stoppages in Canada increased 89 per cent over the previous three-year period.

At the same time, there has been a stretching out of contract negotiations, often months beyond the expiry date of previous collective agreements. These delays inevitably lead to frustration and cynicism about the free collective bargaining system.

There has been increased dependence on third party intervention to resolve contract disputes. In 1976, for example, more than 50 per cent of collective agreements

were settled only after third-party intervention or through arbitration.

And there has been a marked increase in the number of occasions where union memberships have refused to ratify tentative agreements concluded by their bargaining committees. In some cases the rejection was the result of conviction on the part of union members that they were not getting their fair share; in other cases they may be seen by management as ignoring economic realities.

Another difficulty, shared by labour and management, is the growing complexity of the issues. My own observation, as well as the analysis of industrial disputes by my officials, indicates that job security, safety, pensions, seniority rights, and a host of employee benefits can be equally as troublesome at the bargaining table as wages.

I am not suggesting for a moment that the introduction of a collective bargaining information centre is a panacea for all these shortcomings of the system. But I do suggest that timely and objective data which is accepted equally by labour and management is an essential element for improving employee-employer relations through the collective bargaining process.

I would like to recall for you the events which led to the proposal for a CBIC.

About two years ago, I called on the Canadian Labour Congress and the business community, including the Canadian Manufacturers' Association, to choose nine delegates or representatives. They would join with four government representatives to act as a continuing committee for examining employee-employer relations, and advise me as Minister of Labour on the important issues. We called the committee the Canada Labour Relations Council.

At the first meeting, on a motion from one of the labour representatives, the Council identified the need for objective information on compensation and economic trends. It was perceived that existing data was not prepared specifically for collective bargaining, or was suspected of having a pro-labour or pro-management bias. So we set up a sub-committee to study the issue, including the possibility of establishing a national data centre.

At the direction of the sub-committee, my Department conducted a survey of employers and labour organizations. The survey asked questions about the source of bargaining information then being used, the kind of information needed, how often it was required, and how the existing information could be improved.

The sub-committee discovered a wealth of compensation and economic information produced by a variety of government and private sources. The survey also showed that many practitioners in collective bargaining, particularly among trade unions, did not always know what information was available, and sometimes had no access to it, particularly the private compensation data.

What seemed to be needed was a single agency or centre to pull all the data together and make them available and useful to union and company negotiators. The key elements of the data would have to be *accurate, adequate, timely -- and hence, credible.*

On the recommendation of the sub-committee, the Canada Labour Relations Council reached a unanimous agreement that a collective bargaining information centre should be given priority in any government proposals for improving labour-management relations.

Unfortunately, soon after the Council made this recommendation, the CLC withdrew its participation in opposition to the government's wage and price control program. I am confident the withdrawal of the CLC is temporary, and once we move into the decontrol period the labour movement will give this, and other initiatives in the 14-point program, its active support, and participation where needed. I am also hopeful that the Confederation of National Trade Unions,

representing a large sector of Quebec's organized workers, and possibly other trade union groupings, will soon participate in this, and other national centres we are setting up.

The centre which we now have in mind, and which has been approved in principle by the Cabinet as well as the labour movement and the business community, would not duplicate existing data collection functions in federal and provincial departments, or private organizations such as the Conference Board in Canada. Rather it will act as a clearing house from which existing information could be obtained.

Both labour and management representatives have expressed concern about the independence and credibility of the proposed centre.

To ensure credibility, I propose to set up the centre as a separate departmental agency under a tripartite management board of labour, management and government representatives appointed by order-in-council.

The centre would respond to requests for information from the parties to collective bargaining, mediators and conciliators, and Labour Canada and provincial officials. Where necessary, it would work with clients to identify information needs and collate data and publish regular reports. The setting of priorities and the program direction would remain the responsibility of the centre's own management board.

Eventually, I would expect that the centre will play an active role in promoting data improvement by identifying gaps in existing information and ways in which information could be made more relevant for collective bargaining.

Provided we can obtain the participation of both labour and management, I anticipate the development work for establishing the centre can be completed this year. Then the centre could be fully operational by early 1978.

I envisage the Collective Bargaining Information Centre as a significant agency for developing an open and creative dialogue among the parties at the national and provincial levels, as well as at the level of the enterprise. It will make a major contribution toward removing the negative adversary elements from the collective bargaining process, and introducing elements of logic and reason.

NATIONAL MULTIPARTITE FORUM

I would like to turn now briefly to the new national multipartite forum we are proposing to set up for a continuing interchange on economic and social issues and policies.

The national forum we have in mind will not infringe on the role of Parliament. Parliament will remain our most important national forum for the development of national policies.

The government's proposal to establish a national forum is in response to the growing public demand for more openness in government. It is also recognition of the need, as perceived by government, for shared responsibility for economic and social problems.

In the last few years, there has been a marked increase in the number of organizations which want to bring their concerns to the attention of the government, and a marked increase in correspondence between individual Canadians and ministers and Members of Parliament. All of this means more consultation.

The labour movement has indicated its willingness to move toward a system based on consultation, rather than confrontation and conflict. I believe that was the message implicit in the CLC's Manifesto adopted at its convention in May 1976. One may disagree with some of the specific proposals contained in that document, but I certainly welcome the CLC's avowed willingness to enter into a consultative mechanism for dealing with national and social issues.

The CMA and the CLC broke new ground a few weeks ago when their representatives made a joint presentation to federal ministers on four or five economic issues. I anticipate more such joint submissions from various groups in future.

During the last 12 months, there have also been a number of bilateral meetings between government and the labour movement on the economy and the anti-inflation program; similar bilateral meetings between government and the business community; and more recently, tripartite meetings on the most desirable procedures for entering the decontrol period.

The government believes the time has now come to take another step forward. The time is right for proceeding toward the establishment and operation of a multipartite forum. Such a forum could make a major impact on employee-employer relations by exposing the concerns of employees and employers to other elements in the community, and by exposing labour and management demands to debate by the rest of the community. I can see the forum bringing a new spirit of communication and realism to employee-employer relations.

The forum would be large enough to provide for representation of the major economic groups, including an appropriate regional balance. Federal ministers would participate, and a federal representative would act as chairman. Participation would be open to representatives and observers from the provincial governments.

The forum would be a consultative body. It would not have decision-making powers or programs, but it would certainly exert influence on the decision-making process of the government and Parliament. The government would continue to take responsibility for its own policies and be accountable to Parliament and the electorate. At the same time, business, labour and other private groups would be free to express their views but remain responsible for their positions and accountable to their own constituents and the public.

I also anticipate that the multipartite forum will provide a kind of umbrella under which a number of bipartite or tripartite bodies could concentrate on specific problems in fields such as labour affairs, unemployment and regional expansion.

I have previously given some detail on some of the tripartite bodies which I am proposing under the 14-point program, and which I believe will make significant contributions to employee-employer relations.

I am thinking of the *National Occupational Safety and Health Centre*. I include the *National Quality of Working Life Centre*.

Some of the other proposals under the 14-point program are specifically aimed at improving relations between employers and employees who are also members of trade unions; others are intended to improve the work environment and therefore the employee-employer relations in unorganized shops.

Specifically, I am preparing to introduce amendments to the Canada Labour Code which will give unorganized workers many of the rights and benefits which union members take for granted in their collective agreements. These amendments, which I expect will go before the House of Commons in the fall, will give unorganized workers *the right to refuse work they consider unsafe*, and will provide them with *safeguards against unjust dismissal*. In addition, I believe it's fair and just that unorganized workers should have access to the *flexible hours of work, sick leave, maternity leave, bereavement leave* and some other benefits that organized workers have achieved through collective bargaining.

In conclusion, I believe that the changes we are proposing will build better employee-employer relations, and therefore are justified in themselves. But the changes will also, I am certain, improve performance and profitability. If we can work together and make the workplace more pleasant

and make jobs more satisfying, we will remove many of the abrasive tensions that cause antagonism and a drag on production.

Building employee-employer relations is an essential step toward a more co-operative, a more productive relationship. I know the government can count on the continuing participation of the Canadian Manufacturers' Association in many of the new programs which will help achieve this goal.

2A1 L
- S77

Library
of Parliament

INFORMATION

CHECK AGAINST DELIVERY

STATEMENT DELIVERED BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR FOR CANADA

ON

PAID EDUCATIONAL LEAVE FOR CANADIAN WORKERS

TO

THE SIXTY-THIRD SESSION

OF

THE INTERNATIONAL LABOUR CONFERENCE

GENEVA, SWITZERLAND



MONDAY, JUNE 13, 1977

9:30 A.M. G.M.T.



First I would like to pay a brief but appropriate tribute to the ILO and to a fellow Canadian.

I would like to recognize the pioneering work of the ILO in the field of paid educational leave and the inspiration which the 1974 ILO Convention on paid educational leave is providing for us in Canada.

I believe it is now timely to determine the feasibility of paid educational leave for Canadian workers, both organized and unorganized, without having to give up their jobs or to sacrifice their income or any other job benefits. We should determine whether paid educational leave can be established as a new social right, and not remain as a privilege for the few.

This year I have undertaken to examine the environment for paid educational leave in Canada. I am seeking to find out what support there is for such a program among workers, trade unions, employers, educational institutes and our provincial governments.

If I find there is broad acceptance, I will then consult with my colleagues in government, and with labour and management, to see how we might make paid leave more accessible in the Canadian workplace.

It is for this reason that I am pleased to recognize the outstanding record of the ILO in recommending vocational training and the granting of time off for participation in educational programs. I refer in particular to the 1974 Convention on paid educational leave which regarded paid leave as an important means of meeting the real needs of workers in a rapidly changing technological society.

It called on member states to formulate and apply a policy designed to promote, by methods appropriate to each state, the granting of paid leave for the purpose of training at any level; general, social and civic education; and trade union education.

As a politician who has spent all my life dealing with people problems, I can think of no social program which holds greater promise than this one for

the benefit of individual workers, for employers, and for the country at large. Paid educational leave could be a valuable instrument for giving workers a second chance. It is aimed at not only enabling the individual worker to find his or her place in occupational life, but also to develop his or her potential as a citizen in the social and political life of the country.

At the same time, Mr. Chairman, I would like to recall the contribution which a Canadian, Mr. Kalmen Kaplansky, has made to the development of this program. Mr. Kaplansky, as you know, is now the Canadian director of the International Labour Office in Ottawa. But in 1965 he was the International Affairs Director of the Canadian Labour Congress and a member of the governing body of the ILO. It was Mr. Kaplansky who piloted the first resolution on paid educational leave through the proceedings here.

The 1965 resolution advocated "the access of workers to various types of paid educational leave,

as distinct from holidays with pay for recreational purposes." Such paid leave would give workers "the opportunity and incentive to acquire the further education and training which they need to carry out their duties at the workplace and to assume their responsibilities as members of the community."

It is worth recording that this resolution formed the basis for resolutions later adopted by the ILO for educational improvement and paid educational leave.

If you will allow me to make a personal reference for a moment, I am the Member of Parliament for Hamilton East, which is Canada's most highly industrialized riding. Over the years, I have met hundreds of men and women who work in its industrial plants and offices. I hear about their problems every day in my constituency office. Many of their problems are related directly to their jobs. A common thread that runs through these job-related problems is this: Here I am, locked into a job for the rest

of my life by personal and family circumstances. There are some other jobs I'd like to try, but I'm not qualified. I can't afford to take time off and study the courses I need. Before you know it, my present skills will be obsolete.

There is a growing acceptance of the need for education as a life-long benefit, but there are some serious limitations on access to training and educational courses for those who have taken on family responsibilities or who fear losing seniority rights, job security and fringe benefits.

The adult education movement in Canada is well respected for the contribution it is making to continuing education; however, it cannot always meet the needs of workers who lack the qualifications for the courses which are available; who work shifts; or who are too tired at the end of the day to do another two or three hours' hard work.

We have accepted as normal the education of young minds in an orderly progression from grade school to high school, to university or vocational institute. We have accepted as normal that some of us -- notably teachers and professors, and also doctors and lawyers -- will go back to school or to seminars on a fairly regular basis to catch up on professional development. But what do we do for the high school drop-out who wasn't ready for advanced education or skill training at age 16 or 18? What do we do for the 50 or 60 per cent of Canadians who do not go to vocational institutes, community colleges or universities? What do we do to assist workers whose skills become obsolete? We have done something for them but it's not enough.

What we have done is provide upgrading courses and skill training -- but, for the most part, only when the applicant is unemployed. We don't do very

much to help those who are employed, those who stay employed but somehow feel they are locked into their job.

There must be thousands of workers who would like to break out and try something new, including a new and different challenge in their own organization. Why shouldn't ordinary workers be entitled to participate in paid leave?

Frankly, Canada is many years behind some of the other industrial democracies in this social policy area.

France established the principle of continuing vocational education as an integral part of life-long education. It has imposed a payroll tax of 1 per cent, which may be raised to 2 per cent, for the financing of educational leave.

In West Germany, apart from the federal provisions for paid leave for training purposes, five of the provinces have legislation giving workers up to 10 days paid leave a year for general, civic and social education.

In Sweden, workers who take educational leave for up to one year are protected in so far as their employment rights are concerned; grants for such leave are given by the Ministry of Education.

In Britain, training is conducted by tripartite Industrial Training Boards, whose finances come from the government and employers in the industry. Day-release courses are common throughout industry.

In Italy, achievements in the field of paid educational leave have been attained through collective agreements.

In Canada, paid education leave has not been given the same recognition -- by workers, by trade unions, by employers or by governments. In 1973,

which is the latest information available, about 13 per cent of managers, and 15 per cent of professional and technical employees participated in employer-sponsored training courses. This compares with 7 per cent of clerical, 9 per cent sales, 6 per cent service and recreation, 6 per cent transport and communication and 6 per cent craft and production employees.

Last year there were only 161 collective agreements containing paid educational leave provisions. These contracts covered 434,175 employees, but it should be remembered that only a relatively few employees actually participated in the educational leave programs which were available. For example, one collective agreement covered 2,000 employees in a pulp and paper company, but the education clause was restricted to the three or four steam engineers in the bargaining unit. Most of those who participate in employer-paid educational leave in Canada are teachers, university professors and government employees.

I anticipate growing support for paid leave. The Canadian Labour Congress, for example, endorsed the 1974 ILO Convention last year.

One of the most significant breakthroughs in Canada in recent years was the paid educational leave agreement reached last March by the United Auto Workers and Rockwell International (Canada). This is the first agreement of its kind in my country. It covers about 1,100 Rockwell employees at plants in Chatham and Milton, Ontario.

The contract calls for Rockwell to contribute one cent for each hour worked by each employee to establish a fund that will be used to educate selected workers in a specially-designed UAW training course. The money will be used to defray the time lost from work, travel, lodging and meals, for courses lasting up to 20 days.

Since the UAW-Rockwell agreement was completed, the UAW has negotiated paid educational leave plans with three other Canadian employers.

It is highly appropriate, I think, that the UAW was one of the unions that pioneered this benefit in Canada. The concept was first advocated in North America a decade ago by the former president of the UAW, Walter Reuther. At that time he asked the Big Three auto-makers to contribute one-quarter of a cent an hour per employee into such a fund. He failed to get it. But now, seven years after his death, the UAW has made his dream a reality. I am sure it is only a matter of time before paid educational leave will become a common feature of collective agreements.

We will have to establish to what extent paid educational leave might be feasible in the Canadian context. We will need some idea of the extent to which trade unions and employers can, or want, to make their own arrangements on the availability of

paid leave. While this approach might be appropriate for the organized sector, it might also be desirable for government to provide some incentives for the unorganized sector. Eligibility for paid leave, and duration of leave, might be determined by length of service, suitability of the candidate, the availability of training facilities, and the program which the worker chooses.

An important consideration, of course, would be the financing of paid leave. The costs would include normal pay, health care and insurance contributions while absent, the education or training courses themselves, and for some students, travel expense, room and board.

In the case of general education, courses could possibly be made available to participating workers through the existing universities and community colleges. In Britain there has been a considerable growth of day-release and other general education courses for industrial workers. Local education authorities,

universities providing extra-mural education, the workers' educational association, and the trade union movement in Britain are actively engaged in this field.

In the United States, some employers allow their employees to pursue educational and vocational courses on company time -- either during slack production periods or on a regular basis. The Xerox Corporation provides a wide variety of self-training courses which can be fitted into this kind of flexible schedule.

In the case of labour education, the trade union movement itself will continue to determine its own needs and direct its own programs. Last month I signed an agreement on behalf of the federal government, with Joe Morris, President of the Canadian Labour Congress, under which the government will provide a grant for supplementing present labour education programs of the CLC for a period of five years. Other labour centres, including the Confederation of National Trade Unions in Quebec, are also eligible to participate in this program.

In the case of vocational training, we will want to look at a number of options. As I mentioned earlier, employers and trade unions have already made a start on building their own funds for paid educational leave. A case could also be made for some degree of government participation, or for tax incentives, to offset the cost of paid leave.

In conclusion, I find that I have to restrain my own enthusiasm for paid educational leave for Canadian workers. No doubt there are many difficulties. But I hope that our examination will disclose a high degree of willingness on the part of workers, trade unions and employers to take up this idea and run with it. As to the cost that paid educational leave would entail, it should be remembered that worker education and training are an investment not only in human development but also in technical advancement and economic growth.

Edgar Faure made an observation which reinforces the contemporary relevance of paid educational leave

in his report Learning To Be, for the UNESCO International Commission on the Development of Education in 1972. This report said (at page 69): "Education suffers basically from the gap between its content and the living experience of its pupils, between the systems of values it preaches and the goals set up by society... Link education to life, associate it with concrete goals, establish a close relationship between society and economy, invent or rediscover an education system that fits its surroundings -- surely this is where the solution must be sought."

I believe that paid educational leave is the instrument that does fit its surroundings. It could close the gap.

CAI L

-577

INFORMATION

CHECK AGAINST DELIVERY

NOTES FOR AN ADDRESS

BY

THE HONOURABLE JOHN MUNRO, P.C., M.P.

MINISTER OF LABOUR

ON

PENSIONS FOR CANADIAN WORKERS

TO

THE INTERNATIONAL PENSION CONFERENCE

GRAY ROCKS INN

ST. JOVITE, QUEBEC

WEDNESDAY, JUNE 15, 1977

1:00 PM EDT

GIVEN BY H.L. LAFRAMBOISE, ASSISTANT DEPUTY

MINISTER, RESEARCH AND PROGRAM DEVELOPMENT, LABOUR

CANADA.

I was pleased to accept the kind invitation of your association to speak to you today. The question of private pensions is a very lively issue among Canadian workers and trade unions, and I am glad of this opportunity to exchange views with professional pension plan managers.

As part of my 14-point program to improve the work environment, officials of my department are participating in an inter-departmental task force on pension coverage. One of our objectives is to improve government policies on pension rights and benefits so as to reduce the friction caused by this issue at the bargaining table, as well as reducing the anxiety which many Canadians experience in contemplating their retirement income.

Few social issues are more widely discussed and debated than pensions. During the past few years we have seen the introduction of the Canada and Quebec Pension Plans, the expansion of the old age security system and growth and improvement in private pensions.

We have also introduced the Registered Retirement Savings Plan, as an alternative or a supplement to other pension arrangements.

We all want to see retired citizens living in security, dignity and comfort. What concerns us is whether the public and private pension systems as they now exist can do the job we expect of them -- and at a price individual Canadians, employers, and governments can afford.

Before discussing pensions plans from a federal perspective, perhaps I should remind you that as Minister of Labour I have no ministerial responsibilities for either the public or the private pension systems. At the same time, pension issues have a direct bearing on the responsibilities of my department.

It is customary for pension professionals to refer to pensions as being part of the "income replacement system". Workers and trade unions are more down-to-earth. They regard pensions as deferred

wages -- wages which they are prepared to forego in the present for payment after retirement. While there has been considerable growth and development in private pension plans in the last two decades, approximately 42 per cent of all paid workers with full-time attachment to the labour force have no private pension plan coverage. This fact can only point to a source of considerable disparity in retirement incomes.

From 1970 to 1974, membership in private pension plans almost doubled to reach a level of 3.4 million persons. When comparisons are made between industries, however, there are great differences in coverage. The proportions of paid workers in pension plans range from about 1 per cent in agriculture and forestry and 6 per cent in trade to about 98 per cent in public administration at all three levels of government service. Public sector employees represent nearly 50 per cent of all Canadians with private pension plan coverage.

The greatest growth in membership has occurred in the construction industry where the development of several multi-employer plans has increased coverage from 23 per cent to 44 per cent in the five-year period ending in 1974. As a result, the number of construction workers in private plans more than doubled in five years from 107,000 to 235,000.

There is also a great deal of disparity between the low-paid and those at higher income levels. Among those earning between \$3,000 and \$6,000 in 1974, less than one-third were covered by private pension plans. But in the \$20,000 to \$25,000 income range, some 60 per cent of wage and salary earners were members of a private plan.

My department has been closely involved with pensions as an issue in collective bargaining -- particularly with the railway pension plans. Some of our most difficult problems have occurred where labour and management disagreed over the cost of certain pension improvements.

As an example, during labour negotiations in the summer of 1973 there had been agreement between the unions and the companies over the actual pension improvements to be made but a dispute arose over the costs of some of them. Until this was settled there could be no agreement on the other money issues being discussed. Partly because of this disagreement over pension costs, the unions ordered selective railway strikes across the country.

To try to resolve the pension dispute I appointed Dr. John Deutsch of Queen's University as a Commissioner of Inquiry to make an independent assessment of the costs of the pension improvements. His cost estimates were used in the final settlement and played an important part in bringing the round of bargaining to a solution.

Since then it has again been necessary to appoint a Commissioner of Inquiry to examine railway pension plans. For some time there has been a growing feeling among railway employees that the interests of pensioners were not being well represented in the collective bargaining process.

Strong pressure has been building for automatic cost-of-living adjustment to pensions. Some employees feel they should have more responsibility in the trusteeship and administration of their plans and there are still widespread misunderstandings about the funding practices and operations of the pension plans.

I realized that before the next round of negotiations we needed a full, independent examination of the railway pension plans that would set out the facts and clear up some of the misunderstandings.

In July 1974 I asked Dr. Noel Hall of the University of British Columbia to examine all aspects of the railway pension plans. During the course of the inquiry, regional hearings were held at 15 locations across Canada. Briefs were presented by unions, individuals and groups representing employees and pensioners. The main concern expressed in almost all the briefs was the erosion of pension benefits as the result of inflation.

The Commission of Inquiry is now completed and both the unions and the companies are studying Dr. Hall's findings. He has made several recommendations that would bring benefits under the two major railway pension plans more in line with each other.

Some of the most contentious issues deal with the cost of making post-retirement increases to pensions. The report suggests several alternative schemes for indexing and partial indexing. The most interesting one is what Dr. Hall calls a "Heritage Fund" in which the employer and employees would each contribute one half of one per cent of payroll to provide full cost-of-living adjustments to current pensioners and survivors.

The report also explores "delayed indexing" where the pensioner absorbs the first 25 or 30 per cent loss in purchasing power before any adjustment is made to his pension. After that point, the pension is fully indexed to future changes in the cost of living.

We are looking for ways of improving the industrial relations climate through increased cooperation between the parties.

In the past few years there has been quite a lot of interest in the idea of joint participation by labour and management in corporate decision making. In Canada we probably will never see the adoption of European models of co-determination, but I personally am hopeful that we will soon work out mechanisms for joint participation in areas such as safety and health and the quality of working life.

Along these lines we are looking at the case for joint employer-employee trusteeship of private pension plans. If it brings about a greater understanding between the parties, perhaps it should be promoted as a way of reducing confrontation over pension issues at the bargaining table. I would be grateful if you would send me the details of any experience in joint trusteeship.

Labour Canada has another involvement in programs somewhat similar to pensions. Some years ago the government developed a system of loans and other financial assistance to industries affected by tariff reductions agreed to under the "Kennedy Round" of multilateral tariff negotiations. Assistance is made available to the textile and clothing industry and the footwear and tanning industry and is designed to speed up modernization and adjustment of individual firms so as to improve their competitive position at home and abroad.

While most workers displaced by modernization can be assisted to new employment through existing manpower programs, we found special problems in the case of certain older workers, particularly those with obsolete skills and low educational levels.

To assist these older workers my department designed Adjustment Assistance Benefit Programs to guarantee a basic level of income from the time their

unemployment insurance benefits expire until age 65, when social insurance and social security benefits start. These benefits are available only where layoffs are certified as being caused by the government's strategies for these industries.

The programs guarantee pre-retirement benefits to employees between 54 and 65 years of age at the date of layoff. A qualified employee must have had at least 10 years in the industry within the 15 years before the layoff and must be certified by the Department of Manpower and Immigration as having no reasonable prospect of employment or as having accepted employment at less than his former average weekly earnings.

The amount of the benefit is two-thirds of former average weekly earnings up to a maximum this year of \$147. Benefits are reduced by \$2 for every \$3 of earnings or pension income.

A fairly small proportion of these older laid-off employees have needed pre-retirement benefits. Since the beginning of the program almost six years ago about 400 persons have qualified for benefits.

Quite apart from the assistance the program has given to displaced older workers, the Adjustment Assistance Benefits Programs have reduced the fears of labour unions and workers towards the restructuring of their industries and have helped obtain the support of the labour movement for policies directed towards freer trade.

You are probably aware of the major examination that is being made of the private and public pension systems under the initiative of my colleagues Donald Macdonald and Marc Lalonde. For the past year officials of my department have been participating and private consultants, professional associations and academics have given guidance and assistance to the study.

The objective is to examine the present system in detail to determine what policy changes should be made both in the regulation of private pensions and in the public system. The fact-finding part of the study is in its final stages.

Following this, I expect a period of public discussion where contributions from experts such as yourselves will be invaluable in the search for new directions in pension policies. It will be some time before we know what the balance will be between the public and private systems. There are, however, some general comments I would like to make on pension issues.

We all recognize that the private pension system is a vitally important source of investment capital. During the period 1971 to 1975, personal savings in private plans amounted to over \$13 billion. This was equivalent to almost 36 per cent of total net personal savings over the same period.

Savings in registered retirement savings plans amounted to another \$4.6 billion, representing another 12 per cent of net personal savings. There is no doubt that saving for retirement is one of the main reasons for personal savings.

Therefore, any change in Canadian pension policies which would affect the need for individuals to save for their retirement deserves careful attention for its possible effects on the overall savings rate within the economy. It is of the greatest importance to our future that we continue to encourage savings for housing, retirement and investment in industry.

The restructuring of world production and trade will continue to challenge the efficiency of Canadian industry and its ability to meet changing conditions. Similarly, Canadian workers will be challenged to upgrade and widen their range of skills.

We must create a labour environment which facilitates mobility from one firm to another and even from one industry to another. This is going to place demands on the private pension system to become more flexible and responsive to the needs of a mobile labour force. We must make it possible for Canadians to accumulate pension credits throughout working lives that are typically spent with several employers. Ideally, our pension plans should in no way inhibit free movement from one employer to another.

This is one of the most difficult problems facing the private pension system and one of the primary determinants of the place that private pensions will have in providing for retirement in future.

It may be that we should give a more important place to pension plans of the defined contribution or "money purchase" type where, generally speaking, the accumulation of pension rights is unaffected by movement from one employer to another.

An alternative would be a new type of permanent registered retirement account that would allow tax exempt contributions from the employer as well as from the individual, and could be supported by each employer throughout even the most varied working life.

But however it is done, some way must be found of improving the flexibility of private pensions in a mobile work-force.

Private pensions are undergoing other stresses and strains, many of which are shared by the public pension schemes.

Inflation has had a tremendous impact on all pension plans. While retired workers have been faced with erosion in the value of their pensions, much of the deficiency has been made up by improvements in old age security, the guaranteed income supplement and the provincial supplements. However, many employers have felt a responsibility to make some post-retirement adjustments.

It is the cost of these adjustments and this new obligation thrown upon employers that have placed private pension plans in a new focus, and this is one of the issues being examined in the current study of our public and private systems.

I am confident that by working together we can find the proper balance between the public and private systems for the years ahead.

I believe that the retirement income system that covers our present labour force is doing a better job than most people realize. There are gaps and inadequacies in coverage, inflexibility in meeting some of our needs and other justifiable criticisms. But there is no question that most of these problems can be overcome and that private pensions will continue to play their important role in meeting the needs of retired Canadians.

CAL-L

-S77

INFORMATION

Government
Publications

NOTES FOR THE
"ROUND TABLE MEETING OF
THE CONFERENCE BOARD OF CANADA"

BY

T.M. EBERLEE
DEPUTY MINISTER
LABOUR CANADA

PARK PLAZA HOTEL

TORONTO, ONT.

JUNE 15/16, 1977



At the outset, may I say I am most pleased to participate in this "Round Table" discussion. The topic under review is, Labour Law and Its Effect on Collective Bargaining, one of utmost interest and concern, particularly to those of us involved in the world of labour affairs.

It is a subject of much debate and learned opinion; a veritable inundation of words...all devoted to our industrial relations system...one needs a bathysphere to survive.

However, it is at gatherings such as this that thoughts, opinions, criticisms can be put into clear perspective.

As we are all aware, labour law in Canada is an integral part of the infrastructure from which flows the economic and social health of our country. If the laws regulating collective bargaining and industrial relations do not meet the changing demands and challenges of the workplace the consequences can be disastrous for all.

In Canada, all jurisdictions have laws governing collective bargaining which guarantee freedom of association and the right of employees and employers to organize. These laws also establish machinery (labour relations boards or other administrative systems, such as the labour court and specially appointed civil servants in Québec) for the certification of a trade union as the exclusive bargaining agent for an appropriate unit of employees; and require an employer and a certified trade union to bargain collectively to conclude a collective agreement

covering wages and other terms of employment. Unfair practices are defined limiting the actions of employers and employees and their unions where each other's rights are involved. Certain groups such as public servants, policemen, firemen, hospital and construction workers are governed in some jurisdictions by special legislation, certain categories such as managerial staff and professionals are excluded.

My colleague Marc Lapointe of the Canada Labour Relations Boards will, no doubt, elaborate on the machinery of application and comment on trends and changes envisaged in this area.

The first collective bargaining legislation in Canada of lasting substance was a series of federal statutes commencing with the Conciliation Act of 1900. This Act sought to assist the prevention and settlement of labour disputes by voluntary conciliation and arbitration, and to provide for the publication of industrial statistics. The federal Department of Labour was formed as a result of this Act and the "Labour Gazette" instituted.

These federal statutes were followed over the years by a series of enactments until in 1971 the Canada Labour Code came into force which incorporates the provisions of four former Acts:

- . Industrial Relations and Disputes Investigation Act;
- . Canada Fair Employment Practices Act;

- . Female Employees Equal Pay Act;
- . Canada Labour (Standards Code).

Today we have a system which is heavily weighted by law. In Canada there are some eleven labour relations statutes, the same number of labour relations boards. We have conciliators, mediators and arbitrators, plus an army of experts on labour law.

Labour legislation in Canada is hampered by the complexity of our country's system of government under the British North America Act. This Act vests considerable autonomy in the provinces within a federal system. For example, only some 530,000 workers come under direct federal jurisdiction out of a total labour force of roughly 10,000,000. Federal jurisdiction is constitutionally defined as including: international and interprovincial railways, air and highway transport, telegraph and cable systems, pipelines, canals, ferries, tunnels and bridges, shipping and longshoring, broadcasting, banking, primary fishing, most crown corporations (state-owned undertakings) and such other enterprises as grain elevators, uranium mining and smelting, and flour and feed mills. With the exception of the federal public service, which is governed by a separate Act of Parliament (the Public Service Staff Relations Act), all other industries and their employees come under provincial jurisdiction. Although the federal jurisdiction covers only a small percentage of the labour force it will be seen that it is responsible for some vital parts of the economy.

While confined by legislative authority, the federal government recognizes that it cannot afford to take a narrow view of its responsibility in terms of labour affairs. Indeed, it would be fair to say that the provinces have emulated federal initiatives in labour legislation. This in no way downgrades the role of the provinces in labour affairs but rather underlines the necessity of close cooperation and coordination between the different levels of government.

Jurisdictional boundaries, together with geographical considerations, hinder uniformity of conditions for Canadians in the work force. However, apart from these minor differences, the Canadian worker of the seventies is protected by legislation governing labour standards, human rights, industrial safety and health as well as the collective bargaining process.

The enactment of a law, however, seldom entirely resolves problems in an area as complex as industrial relations. It takes practitioners to improve the practice.

Public opinion these days doesn't seem to have much patience with the collective bargaining system. I feel it fair to say that as an institution it is widely misunderstood and mistrusted. Public opinion may well be justified in its viewpoint - and we are foolish if we ignore it.

Yet, I am convinced that Canadians in general would not want to give up a system through which people have the right and the power to determine, by means of bargaining, what will be the terms and conditions under which they work.

Such a system is fundamental to a free and open economy and society. The best possible outcome for all Canadians will be the joint development and implementation of improvements in the system - improvements which will make it efficient and effective - less destructive of the interests of the parties and of the public.

Until the late sixties, strikes were last resorts, not the norm which they tended to become in more recent times. Settlements were modest. Certainly, unions did not have a very high profile; union organization was difficult to expand and anyway, basic survival was a prime concern.

Labour relations legislation was designed to keep the peace; it was, and is, a set of quid pro quos.

The government was primarily devoted to industrial peace. It was fundamentally passive and basically neutral. Government a decade or so ago did not really pay much attention to the results of the collective bargaining process. It certainly did not consider that bargaining might not be capable of solving all the real problems in the relationship.

During the 60's, however, Canada was subjected to the massive impact of technological change, primarily in the adoption of automation and other advanced production methods. Concerns shifted from simple wage and working conditions to those of job security and the quality of working life. Levels of expectation were re-adjusted and the government itself began to alter some of its own attitude. Indeed, governments accepted unionization for

their own employees. Today CUPE (Canadian Union of Public Employees) and (PSAC) Public Service Alliance of Canada are among the largest unions in the country and have a profound impact on collective bargaining and, indeed, the economy and society as a whole.

I would like to note here in passing that two-thirds of Canada's work force of 10,000,000 remain un-unionized and this fact creates a problem for the Canadian Labour Congress. Unionism is too frequently viewed with suspicion and dislike, despite its totally legitimate, and downright important role. It is hightime that Canadians accept it as such.

However, to return to the 60's - the late 60's and early 70's saw increasing labour-input conflict, with disturbing numbers of work stoppages and escalating wage settlements. Public concern began to show slowly and, as we all know the government's anti-inflation regulations were introduced in October 1975.

In government, we recognize the difficulty that a trade union movement faces with any measures that put constraints around collective bargaining. However, although their opposition to the measures was clear, I believe they have displayed a commendable degree of maturity in their operation of collective bargaining in trying times. Business, too, must be commended for their efforts to make the AIB work.

The anti-inflation program, for all its difficulties, days of protests and whatnot, has given the government time to plan measures that will tend towards the resolution of economic problems and those of the workplace.

One of the challenges is to bring collective bargaining into a position that will optimize: price stability, equitable distribution of income, high levels of employment, international competitiveness, improve the quality of working life. At the same time enhance the freedom, the participation, the self-determination, the human dignity, the social justice inherent in our collective bargaining and industrial relations system.

What is Labour Canada trying to do about this? How is it responding to this challenge for action? We have formulated a 14-point program with three basic aims: to improve the work environment; to improve the collective bargaining structure; and to improve the structure and process of labour-management relations. The program is founded on two basic premises: that labour relations involve not only economic units but human beings, with needs, aspirations and personal values and that the most viable and publicly susceptible involvement upon which to build the programs remains the collective bargaining system.

Briefly, initiatives designed to improve the collective bargaining process include the promotion of the concept of "broader based bargaining" in key public services. Labour Canada is initially paying prime attention to the air industry and will hold discussions with the bargaining agents to recommend that the parties concerned consider some form of voluntary bargaining coalition - instead of a legislated solution.

There is also an intention to amend the Canada Labour Code. While the Code is a good one it is not without problem areas: frequently there are delays; sometimes burdensome costs; and there are tensions which become evident long after formal settlement is concluded.

Improvements are also being implemented in the area of conciliation and arbitration services.

Also included in the 14-point program is the proposal to establish a Collective Bargaining Information Centre to which all parties can turn for a range of relevant compensation and economic data.

Perhaps the most important initiative is the National Multi-Partite Consultative and Information Forum. Above and beyond the specific drives for improvement is the need to provide means for a national focus and orientation on matters of broad national concern. Some kind of cohesion, some kind of common understanding of social and economic limitations are key elements currently lacking on the Canadian scene.

Such a forum will not be a decision-making body, but rather a vehicle whereby inputs from industry, labour, the Provinces, farmers, fishermen and others as appropriate, plus the federal government - can lead to improved quality of decision-making and a broadening of responsibility for the results.

Collectively the programs in Labour Canada's 14-point plan should help inject more rationality and responsibility in the system.

During May and June my Department, as maybe some of you are aware, is undertaking a public information campaign to promote awareness and understanding of the 14-point program. We hope the campaign will engender positive public response.

In conclusion, I would say that since 1973 when the recommendation, of the Woods Report were implemented, there has been a turning away from legislating change in our industrial relations system. Labour Canada is firmly committed to the continuance of the collective bargaining process, considering it well-suited to the needs of the Canadian reality. However, attitudes and certain practices cannot always be changed by lawmakers... I believe now is the time for all parties concerned with the social and economic well-being of our country to sit down and through open free discussion arrive at solutions satisfactory and of benefit to all.

Thank you.

